

PART 1 FOREIGN INFLUENCE

Chapter 4: John Huang

John Huang, a former Lippo Group executive, Commerce Department official, and DNC fundraiser, personifies a significant aspect of the fundraising problems endemic to the 1996 elections. Apparently driven by a desire to be perceived as an important fundraiser in Democratic Party circles, Huang engaged in a number of activities that were improper and possibly illegal during and prior to his tenure at the DNC. In the end, the DNC returned over \$1.6 million in contributions attributable to Huang. The evidence before the Committee supports the claim that Huang engaged in improper fundraising activities. The evidence before the Committee does not support other allegations lodged against Huang, including the serious charge that he served as a spy for the People's Republic of China or any other foreign government.

FINDINGS

Based on the evidence before the Committee, we make the following findings regarding Huang's activities:

- (1) John Huang engaged in a number of improper and possibly illegal activities during and prior to his service as a DNC fundraiser.** These activities ranged from failing to ensure the legality or propriety of the contributions he solicited, to obtaining foreign reimbursement for a 1992 corporate contribution he directed, to possibly soliciting foreign contributions. In addition, he appears to have improperly solicited several contributions during his tenure at the Commerce Department, in possible violation of the Hatch Act.
- (2) There is no evidence before the Committee that DNC officials were knowingly involved in Huang's misdeeds, but the DNC did not adequately supervise Huang's fundraising, did not adequately review the contributions that Huang solicited, and did not respond appropriately to warning signs of his improper activities.** The DNC could have avoided some of Huang's misdeeds had it more closely supervised Huang's activities and had it not unwisely abandoned its previously-existing system for checking the propriety of large contributions.
- (3) Huang contributed and raised substantial sums of money to benefit the DNC in order to gain access for himself and his associates to the White House and senior Administration officials.**
- (4) The evidence before the Committee does not establish that Huang served as a spy or a conduit for contributions from any foreign government, including the People's Republic of China.** The Committee's investigation

yielded no direct support for the allegation that Huang acted as either a spy or a conduit for any foreign government.

(5) The evidence before the Committee does not establish that Huang either misused his security clearance or improperly disseminated classified information during his service at the Commerce Department.

(6) The evidence before the Committee does not allow for any definitive conclusion regarding the nature of Huang's interactions with the Lippo Group during his tenure at the Commerce Department and the DNC.

Huang's frequent contacts with Lippo-related entities and his intermittent use of an office across the street from the Commerce Department to receive faxes or mail cast suspicion on Huang's activities while working for the Commerce Department. Nevertheless, the absence of specific evidence on the nature of his contacts with Lippo or the contents of the materials he received makes it difficult to draw any conclusions regarding actual misconduct or a conflict of interest within the meaning of the ethics laws governing federal employees.

(7) Neither Huang's hiring at the Commerce Department nor his receipt of a security clearance was inappropriate. At the time of Huang's hiring, all Commerce Department political appointees received interim clearances as a matter of course, a practice the Department subsequently discontinued.

HUANG'S EARLY CAREER

John Huang was born in Fujian province, China,¹ and raised in Taiwan.² In 1969, he came to the United States to study in the graduate business administration program of the University of Connecticut.³ He became a naturalized U.S. citizen in 1976.⁴

During the 1970s, Huang began a career as a banker in the Washington area.⁵ In late 1979, he moved to Kentucky and worked for First National Bank of Louisville.⁶ Two years later, he joined Union Planters National Bank in Memphis.⁷ In 1983, Huang was transferred to Hong Kong to head Union Planters's Far East representative office.⁸ While in that post, he met Indonesian businessman James Riady, who was a legal permanent resident in the U.S. for many years and whose family owns the Lippo Group, an international conglomerate.

Huang first went to work for the Riadys in February 1985, when he became a vice president and director of international banking for the Hong Kong Chinese Bank,⁹ in which the Riadys' Lippo Group held a large stake. Simultaneously, he served as a vice president and Far East manager of the Little Rock-based Worthen Bank, which was also partly owned by the Riady family in partnership with Stephens Inc., a major investment banking firm based in Little Rock, Arkansas. Huang reported to James Riady who was then residing in Arkansas. During Riady's tenure in Arkansas, Riady met and became friendly with then-Governor Bill Clinton.¹⁰ Huang

later said he met the Governor when he led a trade mission to Asia.¹¹ During business trips to Arkansas, Huang also met several people with ties to Governor Clinton, some of whom -- like Huang himself -- would later follow him to Washington after he was elected President.

In 1984, after running into problems with bank regulators in Arkansas, the Riadys shifted their focus to California. In 1984, James Riady acquired control of Bank of Trade,¹² a small institution that specialized in the Asian-American market,¹³ and renamed it LippoBank of California.¹⁴ Riady moved from Little Rock to Los Angeles and, in 1986, he appointed John Huang president and chief operating officer of the California bank.¹⁵

Huang remained with LippoBank of California until the summer of 1988, when he went to New York to become general manager of Bank Central Asia.¹⁶ Although it was not part of the Lippo Group, the Riadys were large investors in Bank Central Asia and, according to Huang, they managed it.¹⁷ In January 1990, Huang moved from New York back to California to become president of USA Operations for the Lippo Group, responsible for overseeing of all of Lippo's U.S. interests. He also served as vice chairman of the California bank.¹⁸

BACKGROUND ON THE LIPPO GROUP

The Lippo Group was founded in Indonesia by Mochtar Riady, father of James Riady and the son of immigrants from the Fujian province of China.¹⁹ Mochtar Riady got his start in business by operating a bicycle shop in Indonesia catering to bicycle traders from his native province.²⁰ In 1960, he entered the banking business when he raised \$200,000 in equity for a failing bank from other ethnic Chinese in Indonesia. By 1990, the Lippo Group had grown astronomically and diversified from its financial services base to manufacturing and real estate development.²¹ Unlike most conglomerates, Lippo Group "is an unconsolidated federation of companies with a multibillion-dollar asset base, a second major base in Hong Kong and activities throughout the Pacific Rim,"²² in the words of an academic study. All companies in the group are fully or partially owned and run by the Riady family.²³ By the mid-1990s, the Lippo Group was a multibillion-dollar conglomerate headquartered in Indonesia and with a second large base of operations in Hong Kong. It was active in about a half-dozen countries.²⁴

In the 1990s, the Lippo Group began a major effort to invest and conduct business in China. Like many other major companies hoping to enter the Chinese market, the Lippo Group did so by entering into joint ventures with companies controlled by the Chinese government. In particular, Lippo forged a close relationship with a Chinese government-owned trading company called China Resources, Ltd. China Resources is a multi-national company based in Hong Kong whose revenues exceeded \$250 million last year.²⁵ Despite concerns expressed by some Members of the Committee, this relationship does not signal Chinese government control of the Lippo Group.²⁶ Thomas Hampson, a private investigator called by the Majority to testify on the structure of the Lippo Group, testified that foreign nationals who do business in mainland China -- a socialist and centralized economy -- very often work with government-owned companies.²⁷ Indeed, numerous American corporations, including General Motors, Boeing, Coca-Cola, Eastman Kodak, and Microsoft, have entered the Chinese market through joint venture

relationships with Chinese government-owned companies.²⁸

The Lippo Group also has been involved in business ventures with several major American companies, including First Union Corp. and Wal-Mart Stores Inc., and with various European and Japanese concerns. One well-known American who has done business with Lippo is Pat Robertson, the television evangelist who founded the Christian Coalition. In 1995, a company chaired by Robertson teamed up with Lippo and a Malaysian real estate firm to launch a cable TV venture in mainland China.²⁹

HUANG'S ACTIVITIES ON BEHALF OF THE LIPPO GROUP

Huang's professional responsibilities on behalf of the Lippo Group appear to have been threefold. First, he was responsible for overseeing LippoBank of California ("LippoBank") and three U.S. holding companies: Hip Hing Holdings, San Jose Holdings, and Toy Center Holdings. Each holding company owned one or more pieces of California real estate in varying stages of development. Although the properties generated some income from rent, all of the companies apparently operated at a net loss until 1994.³⁰

Second, Huang was responsible for building the name of the Lippo Group in the U.S. and stimulating business in the Asian American community, the financial community, and the government and political communities. Third, Huang was the country liaison between Lippo Group headquarters and their U.S. contacts. James Alexander, a former LippoBank president, best described Huang's varied roles, testifying that Huang was the person who took him around to meet important clients, who escorted him when he visited Jakarta, and was the person to whom he turned when he had a bank matter that needed to be resolved. Harold Arthur, a subsequent LippoBank president, summed up by stating, "I presumed [what Huang did from day to day] was business relations and client development."³¹

To fulfill his responsibility to promote the Lippo Group, Huang engaged in a tremendous amount of networking and became active in numerous organizations, including the Asia Society, the Committee of 100, the Chinese Chamber of Commerce, the California Taiwan Trade and Investment Council, the Asian Business League, Asian American Development Enterprises, the Chinatown Service Center, the Foreign Trade Association, the Asian Pacific American Legal Center, the National Association of Chinese Bankers, the Hong Kong Association of Southern California, the Independent Bankers Association of America, and the Indonesian Cultural Association.³² Huang also sat on two advisory state commissions: the California World Trade Commission and the California State Advisory Commission on Economic Development.³³ He was not merely a member of these organizations, he held officer positions in almost all them. For example, he was a director of Committee of 100, a bipartisan national organization of Chinese American leaders in the arts, academia, public service, business and the sciences, whose membership is by invitation only. Other members of Committee of 100 include prominent Chinese American leaders, including Yo-Yo Ma, I. M. Pei, Chang-Lin Tien and David Henry Hwang.³⁴

In his capacity as country liaison for the Lippo Group, Huang oversaw visits to the U.S. by members of the Riady family and other Lippo officials, acted as a broker for potential business associates of the group, and assisted delegations visiting from Asia as requested by Group officials. In this capacity, Huang handled such events as the Lippo delegation's attendance at the 1993 Seattle ASEAN conference, the visit to Atlanta by a visiting Chinese delegation from Beijing, and the hosting of a breakfast for a second visiting delegation from Beijing.³⁵

As part of his role in building the Lippo and Riady profiles, Huang was also very active in government and in politics. Between the time he assumed the position as Director of U.S. Operations in 1990, and the time he went to the Department of Commerce in 1994, Huang oversaw the making of a number of political contributions through domestic subsidiaries of the Lippo Group, to state local and federal candidates. Huang also volunteered to raise funds, to host receptions, and to build support for candidates within California's Asian American community.

In the course of his political fundraising,³⁶ Huang formed relationships with members of the Asian American community who were involved in Democratic politics. In 1988, for example, he worked with Democratic activist Maria Hsia in the Pacific Leadership Council ("PLC"), "a group formed to raise money and lobby for Asian American interests,"³⁷ in the words of a press report. In April of that year, the PLC held a Democratic fundraising event in James Riady's Los Angeles home that raised about \$110,000.³⁸ Huang also personally contributed \$10,000 to the Democratic Senatorial Campaign Committee ("DSCC") in 1988.³⁹ In the fall of 1988, he hosted a fundraiser for Senator John Breaux of Louisiana, who was then head of the DSCC.⁴⁰ The following January, Huang, Maria Hsia, and other members of the Pacific Leadership Council led a trade mission to Taiwan with then-California Lt. Governor Leo McCarthy. Then-Senator Al Gore of Tennessee joined the delegation in Taiwan.⁴¹

In 1992, Huang volunteered to raise money for the Clinton presidential campaign in the Asian-American community.⁴² Huang assisted with the organization of a fundraising dinner in October 1992 that raised \$250,000 for the campaign from Southern California's Asian-American community.⁴³ Huang has testified that he became a fundraising volunteer because Governor Clinton "had been a friend to us since the Arkansas time, [and] we [felt] obligated to help a friend."⁴⁴

Political Contributions

As a part of his responsibilities as Lippo Group's country representative, Huang oversaw three domestic holding companies incorporated in California: Hip Hing Holdings, Toy Center Holdings, and San Jose Holdings. Each of the three companies owned real estate in California at various stages of development. Hip Hing Holdings owned a series of adjoining parcels of property in the Chinatown area of Los Angeles with an assessed value of \$9.8 million.⁴⁵ In addition to its property holdings, Hip Hing Holdings was used by the Lippo Group to pay expenses associated with the Group's activities in the United States. These expenses included salaries for John Huang and other staff and consultants employed by the Group, and costs associated with hosting visiting delegations of businessmen. Employees of Hip Hing Holding

would regularly send faxes to Indonesia requesting reimbursement of itemized expenses of Hip Hing Holdings and the other subsidiaries.

Records produced by Hip Hing Holdings show that on August 12, 1992, the company made a \$50,000 contribution to the DNC Victory Fund. Juliana Utomo, a Hip Hing employee who handled general administration of the companies from 1994 forward, told the Committee that decision-making with regard to contributions in 1992 and 1993 rested with John Huang.⁴⁶ Utomo stated that she did not know that the \$50,000 paid to the Victory Fund was a political contribution; in fact, she stated that she did not know the purpose of the disbursement.⁴⁷ A request for reimbursement for expenses of Hip Hing Holdings specifically sought reimbursement for the DNC contribution.⁴⁸ The Committee was unable to depose or interview anyone who had actual knowledge regarding whether this contribution was reimbursed; however, in light of the fact that Hip Hing Holdings sought reimbursement for the contribution, and the fact that the holding company had not generated sufficient income in 1992 to cover the cost of such a contribution, it seems likely that the contribution was reimbursed with Lippo funds from abroad.⁴⁹ A reimbursement would likely have converted the Hip Hing Holdings contribution into a foreign contribution under FEC rules for U.S. subsidiaries of foreign companies.⁵⁰

In September 1993, the DNC received additional contributions from Hip Hing Holdings and from two other holding companies: San Jose Holdings and Toy Center Holdings. Hip Hing Holdings and Toy Center Holdings each made \$17,500 in contributions to the DNC while San Jose Holdings contributed \$15,000.⁵¹ Unlike the contribution in 1992, however, the requests for reimbursement for the months in which the contributions were made do not contain requests for reimbursements of these contributions.⁵² Also, unlike the \$50,000 contribution from Hip Hing Holdings in 1992, each of the companies generated sufficient rental income to support the cost of the 1993 contributions. In 1993, Hip Hing Holdings generated \$35,200 in income from rental of the undeveloped property, while San Jose Holdings generated \$155,979 in income, and Toy Center Holdings generated \$167,000 in income.⁵³ Accordingly, unlike the 1992 contribution, there is no evidence that the 1993 contributions made by Lippo-related entities were reimbursed with money from abroad.

There is no evidence that the DNC was aware of the reimbursement of the 1992 contribution. Thomas Hampson also testified that, despite being an expert corporate investigator, he was unable to discover Hip Hing Holdings's 1992 income using publicly available information.⁵⁴ It appears that no one knew of the reimbursement of this contribution until the Committee's hearing. After the hearing, the DNC promptly refunded the \$50,000.

James Riady and his wife Aileen were also strong supporters of the Democratic Party and President Clinton. Between August and October 1992, they contributed half a million dollars to state parties in California, Michigan, Louisiana, Ohio, North Carolina, Arkansas, and Georgia.⁵⁵ In addition, the Riadys made a \$200,000 contribution to Clinton's 1993 Inaugural Committee.⁵⁶ As James and Aileen Riady were both legal permanent residents of this country at the time, they were entitled to make the contributions. However, the size and number of the contributions have led to allegations that Huang later received his position at the Department of Commerce as a

favor to the Riadys. While it appears likely that James Riady was one of several individuals who supported Huang's efforts to obtain a post in the Clinton Administration, as discussed below, the Committee found no evidence that Riady or Huang targeted the specific Department of Commerce position to which he was ultimately appointed.

Prior to his employment with the Department of Commerce, Huang received a large severance package from the Lippo Group. Questions have been raised about whether this bonus was payment in advance for services it was anticipated Huang would perform while at the Department of Commerce. The reported amount of this bonus has varied widely. In February 1994, Huang received an after-tax bonus of \$132,000.⁵⁷ According to the testimony of Juliana Utomo, it was the policy of the Lippo Group to pay annual bonuses in the first months of the new year and that it was fair to conclude that this bonus was Huang's 1993 annual bonus.⁵⁸ Upon his departure from the Group, Huang received a severance package including an after tax bonus of \$284,000, slightly more than double his 1993 annual bonus.⁵⁹ While very generous, a study of the Lippo Group specifically notes that the Group is known for its generous bonuses of one and a half to three months' salary, a factor which helps attract qualified management. At the time of his departure, Huang, as country representative for the U.S., ranked well up in the corporate structure of the Group.⁶⁰

Allegations were also raised regarding favorable treatment of LippoBank of California as a result of the Riadys' and Huang's political contributions. The California bank, which is very small by U.S. banking standards with about \$50 million in assets, has been riddled with regulatory problems and has received three cease and desist orders from the FDIC since 1990.⁶¹ The Committee was presented with no evidence that the bank ever sought or received assistance from regulators as a result of political contributions. At hearings, former bank President Harold Arthur and Hip Hing Holdings employee Juliana Utomo testified that the bank never sought special help or relief from recipients of Riady's political contributions or connections.⁶²

HUANG'S TENURE AT THE DEPARTMENT OF COMMERCE

Huang's Appointment

There was nothing improper or inappropriate in the appointment of Huang to a position at the Department of Commerce; nor were any procedures or regulations ignored or circumvented in the decision-making process that led to his placement. Moreover, as described below, Huang was recommended for an administration position by three United States Senators, several high-ranking state officials, and the Asian Community Outreach and Priority Placement components of the Office of Presidential Personnel. His placement was also in conformity with the stated desire of both President Clinton and then-Secretary of Commerce Ron Brown for the federal government to benefit from increased racial and gender diversity within the senior levels of the administration. Moreover, he was the personal choice of his immediate supervisor, Charles Meissner, the Assistant Secretary for International Economic Policy,⁶³ and his appointment was made with the approval or consultation of the Undersecretary for the International Trade Administration.

At the time he first sought an appointment from the Clinton Administration in 1992, Huang had over 20 years of business experience in banking and management, and much of his experience was international. As a result of his work, he had extensive contacts within the Asian business community, both in the U.S. and abroad. Huang had also personally raised funds for the Clinton campaign in 1992, and his employer, James Riady, had contributed generously to the Clinton campaign. Huang was a typical candidate for an appointed position within a new administration.

Shortly after the 1992 election, Huang submitted his résumé to the Office of Presidential Personnel. In the documents he submitted, Huang laid out his philosophy in seeking an appointment as follows:

Our attitude toward life should totally dwell on a concept “to serve others” - to serve others base[d] upon each individual’s ability. . . . We want many good and qualified Asian Americans to answer the call to serve this country which we have all chosen to come to establish ourselves; to raise our family and to educate our children. . . It will be an important agenda for the Administration to bring this group of resourceful people together to make further contribution to this country.⁶⁴

Huang initially had been considered for a position with the Small Business Administration. A memorandum dated April 19, 1993, from Gilbert Colon and Maria Haley of the Office of Presidential Personnel to then-Director Bruce Lindsey stated: “It should be noted that there is another qualified candidate for this position, Mr. John Huang, a banker from California, who has handled small business and has international expertise.”⁶⁵ Although Huang was not selected for this position, the Office of Presidential Personnel continued to screen his file for a potential appointment.

On October 18, 1993, Gary Christopherson, White House Associate Director for Presidential Personnel, wrote a memo to Lindsey recommending Huang for appointment as Principal Deputy Assistant for International Economic Policy at the Department of Commerce.⁶⁶ Christopherson testified that his decision to recommend Huang was based on his review of Huang’s résumé and background, an analysis of the requirements of the Commerce position, and information supplied by Martha Wantanabe and Melinda Yee of the Asian Community Outreach section.⁶⁷ He also indicated that the selection of Huang was not a major cause for deliberation in an office that handled placement of three or four thousand candidates.⁶⁸

Huang had support from a number of quarters, including state and federal elected officials.⁶⁹ In addition, Huang’s name appeared on lists of potential appointees submitted to the Office of Presidential Personnel by both the DNC and the Asian Community Outreach section. As a result, Huang was placed on a list of priority candidates by the office’s Priority Placement section. Christopherson testified:

Huang was considered to be a high priority placement by the Asian community.

That's how I viewed him, as a high priority placement as well. What is important to understand in this is that one of the roles I played in presidential personnel was to be a strong advocate of diversity coming into the administration. . . .⁷⁰

Christopherson noted that the addition of Huang to the group of priority candidates "seemed to be a reasonable fit as a priority placement, and we were clearly looking for Asian people to get into various places -- we clearly needed them in the Department of Commerce."⁷¹ After review by Christopherson, Huang's name was included in a list of priority placements which was then forwarded to the Department of Commerce. The Office of Presidential Personnel did not have unilateral authority to make an appointment -- Huang's placement had to be approved by the appropriate authorities at the department.⁷²

At the time of Huang's consideration, Jeffrey Garten was the Under Secretary of the Commerce Department's International Trade Administration (the "ITA").⁷³ In testimony before the Committee, Garten stated that he received a list of priority placement candidates from the White House and that Huang's name was on that list.⁷⁴ Garten testified that he gave that list to Charles Meissner, one of five Assistant Secretaries within the ITA, and that Meissner selected Huang as his Principal Deputy Assistant, a position which was akin to a chief of staff.⁷⁵ Huang was selected for his position in early 1994; he began work in July 1994.

Huang apparently received the same level of review as other candidates for political appointments. He was never considered a "must-hire."⁷⁶ In fact, his application sat for over six months before an appropriate match was found for him.⁷⁷ Although perhaps not as thorough as one might wish, the process by which Huang was appointed appears to have been typical of a new administration that seeks to fill hundreds of slots in dozens of agencies as quickly and efficiently as possible.⁷⁸

Huang's Role at Commerce

The position for which Huang was hired was viewed as primarily administrative rather than policy-making. Garten testified that at the time of Huang's hiring, he and Meissner had a conversation in which they agreed that Huang "could be of use, someone who could basically handle the substantial administrative burdens which [Meissner] would not be able to handle because of his travels," but that Garten specifically voiced concerns about Huang's ability to handle matters of policy.⁷⁹ As Garten explained:

Under Secretary Brown, we set a very fast pace. It was extremely dynamic. We were extremely focused and I felt that Mr. Huang did not have the requisite experience for policy matters. That's not to say he didn't have it for other issues. .

. . .⁸⁰

During his tenure at Commerce, Huang acted as anticipated by Meissner and Garten -- as a functional chief of staff for Meissner. Describing Huang's role, ITA Deputy Undersecretary David Rothkopf testified in a deposition that, "[H]is responsibility was to sort of do what Chuck

[Meissner] wanted, be there when Chuck couldn't be there, handle administrative functions within IEP."⁸¹ Over time, however, Huang did come to have some policy responsibilities, particularly for Taiwan. According to Garten, this came about because Meissner felt Huang's knowledge of Taiwan would be useful.⁸² Garten was aware of this expansion of Huang's role and did not object, so long as Huang was supervised by Meissner.⁸³

Documents produced by Commerce reflect that Huang was the primary individual assigned to oversee the Dragon Gate power project in Taiwan and that he accompanied Meissner on a trip to Taiwan to discuss the project.⁸⁴ Huang also authored a "Taiwan Country Strategy" for integrating Taiwan into the Big Emerging Market ("BEM") strategy within the China Economic Area.⁸⁵ The BEM strategy was the cornerstone of the International Trade Administration policy under Garten.⁸⁶

Documents also reflect Huang's involvement with or attendance at meetings or briefings on Vietnam, South Korea, Japan, and Singapore.⁸⁷ Huang also played a role in assisting ITA with congressional relations, another role common to the Deputy Assistant Secretary position.⁸⁸ Finally Huang performed an active outreach role, attending a diverse array of events, including embassy receptions, speaking engagements, and informational briefings with high-level foreign officials.

During the hearings there was a claim that Garten attempted to "wall off" Huang from policy matters having to do with China.⁸⁹ An allegation was made that Garten felt that Huang should not receive information pertaining to China and wanted to make sure that he did not receive such information. Although Garten testified that Huang was excluded from policy matters related to China, he did not testify that Huang should not receive information about China and testified that he never issued any sort of directive that Huang not receive such information.⁹⁰

It appears that the decision to exclude Huang from China policy matters resulted from internal battles over jurisdiction and control. Garten had created an "inside team" within ITA to deal with the high-profile trading areas of Asia and, specifically, with China. As Garten testified before the Committee:

We created a real high performance team. The only people that in my view were qualified to deal especially with China given its enormous significance and sensitivity were people that had a lot of experience in the policy area. . . . A lot of people didn't make the cut. I don't want to say [Huang] was the only one.⁹¹

Indeed, not even Meissner was allowed to play a role in China policy. Garten acknowledged that responsibility for China, which ordinarily would have been under the purview of Meissner and the IEP division, was handled by himself and by his deputy, David Rothkopf.⁹²

The creation of the "inside team" caused a great deal of tension and resentment within various factions of the ITA.⁹³ Various witnesses have suggested that Meissner and the IEP division he oversaw were particularly affected and that Garten and Rothkopf had essentially

removed all authority for key trading countries from the respective division heads in order to work on these high-profile issues personally.⁹⁴ This tension between Garten and Meissner is reflected in an October 4, 1994, memorandum from Garten to Meissner.⁹⁵ In the memorandum, Garten specifically noted that Huang and another Asian-American appointee “are not up to what I need at this time. I am not running a training program so I have to be brutal in terms of getting results.”⁹⁶

The real point of the memo however, was to respond to Meissner’s perception that the responsibilities of his division are being usurped. Garten stated:

I know I have created a big problem for you particularly on Asia, but even more broadly. I am truly sorry. But the reason we have achieved such good results in the first 18 months, even though confirmations were very late is because I ignored the fiefdoms in ITA and spread responsibility to those who could handle them including David [Rothkopf] It works because I have flattened the structure and spread responsibility.⁹⁷

It is clear, then, that Huang was not singled out as someone to be “walled off” from matters pertaining to China. Numerous people who otherwise would have had responsibilities relating to China -- including the Assistant Secretary for IEP-- were similarly “walled off” from Garten’s power team. None of those individuals were in any way formally restricted from participating in, or receiving information about, countries in their official areas of responsibility.

This conclusion is confirmed by the fact that Huang was permitted to receive briefings with respect to China. Garten’s decision that Huang was not to be involved in China policy did not result in an instruction that he was not to receive any information about China. Indeed, that very question was put to John Dickerson, the security officer responsible for briefing Huang:

Senator Specter: Did you know that there had been a judgment made by higher-ups, by Mr. Garten, that Mr. Huang should be walled off from information about China?

Mr. Dickerson: No, I did not.⁹⁸

When asked during his deposition if he would have changed his briefings to Huang had he been “aware that Jeff Garten had told Charles Meissner. . . that he wanted John Huang to be walled off from China issues,” Dickerson indicated that, like other witnesses, he believed Garten was excluding Huang from China policy to retain personal control over those issues:

As I started to say before, I think I would have had to have a better understanding of what Jeff Garten was talking about. My understanding of the article that I read in the press was that this was sort of bureaucratic squabbling between officials of Commerce and that I do not think the implication was that Jeff Garten thought

John Huang was a person who could not be believed with intelligence information. I think it was more a foil played by Frank [sic] Garten and people directly under him to retain the policy-making decisions on some of these issues.⁹⁹

Huang's Security Clearance and Access to Classified Information

Perhaps as a result of the misimpression that Huang was excluded from information pertaining to China, another impression has been created that Huang obtained access to classified material to which he was not entitled. This, in turn, fueled speculation that Huang was somehow passing classified material on to the Lippo Group, the Chinese government, or both. The Committee's investigation of Huang's security clearance and his access to classified information revealed no evidence that Huang gained -- or even attempted to gain -- access to classified information beyond that to which he was entitled in the normal course of his duties. Nor did the investigation reveal any evidence that Huang misused or compromised any of the information to which he had access.

Granting of Top Secret Clearance

Huang was granted an interim security clearance prior to assuming his duties at Commerce. While there has been no evidence presented to the Committee that Huang even knew he had such a clearance, much less used it, this fact has been used by some to suggest that for some nefarious reason Huang was given special treatment. In fact, between January 1993 and March 1997, all political appointees to the Department of Commerce -- totaling close to 240 -- were granted interim top secret clearances.¹⁰⁰

Interim security clearances were granted on the basis of a review of the appointee's job application, his application for a security clearance, a credit check, and a check of the NCIC law enforcement database.¹⁰¹ An interim clearance allowed an appointee access to classified material pending a complete background investigation.¹⁰² The policy of granting interim security clearances to all political appointees was established in January 1993 by Steven Garmon, a career government employee and the head of the Commerce Department's Security Office. Garmon had established this policy in reaction to criticism which had been leveled at the Security Office in previous administrations over the delays political appointees had faced in obtaining their clearances and their consequent inability to attend certain meetings or receive certain information.¹⁰³

In accordance with this policy, the Security Office, after receiving paperwork authorizing Huang's hiring in February 1994, performed a limited background check and granted an interim clearance.¹⁰⁴ The procedure used in the granting of Huang's interim clearance was identical to that used for all other political appointees to the Commerce Department.¹⁰⁵ Indeed, a memorandum regarding Huang's interim clearance which cited "the critical need for his expertise in the new Administration for Secretary Brown" was nothing more than a form memorandum containing boilerplate language and was not specifically related to Huang.¹⁰⁶

Huang was never notified of this approval prior to beginning work at the agency, nor was he given a security briefing by the Security Office until assuming his position.¹⁰⁷ He thus could not have made any use of this interim clearance until he actually started working at Commerce.¹⁰⁸

The Commerce Department made a blanket decision to grant interim top secret clearances to all political appointees with no consideration as to whether a particular appointee needed access to top secret information or whether the need for the information was so immediate that it justified the granting of an interim clearance pending a full background investigation. This procedure was largely designed to insulate the Security Office from complaints from new appointees that the lack of a clearance was interfering with their work, but it was properly reversed by Secretary William Daley in 1997.¹⁰⁹

Huang's Access to Classified Information

Huang was the Principal Deputy Assistant Secretary for International Economic Policy. This position could have entitled him to a broad array of classified information; however, there was no evidence presented to the Committee that Huang exploited his position to gain access to information beyond that appropriate to his duties. Indeed, the record before the Committee shows that Huang declined opportunities to expand his access.¹¹⁰

Huang's predecessor at the Department of Commerce, Republican appointee Richard Johnstone, held a clearance at a higher level than Huang's top secret clearance.¹¹¹ Robert Gallagher, Director of the Office of Executive Support in the Office of the Secretary of Commerce, testified that to the best of his recollection, he was approached by Huang's supervisor, Meissner, about getting a higher level clearance for Huang because of Huang's responsibilities in filling in for Meissner when Meissner was on travel. Gallagher stated:

I believe that Mr. Huang's superior suggested that Mr. Huang could receive a higher level of clearance and I concurred. And then I believe I probably talked to Mr. Huang about receiving that higher level of clearance and what it would entail for him to do so, how long it would take, how much paperwork was involved and how much it would cost. And at that point, I believe that Mr. Huang said he didn't think it was worth it in either time or money and so we dropped the matter.¹¹²

If Huang had a desire to have access to the most highly sensitive information available to the Department, a higher level clearance would have provided him with that access. Despite the suggestion of his superior and the example of his predecessor, Huang declined the opportunity.¹¹³

Another opportunity for Huang to increase his access to sensitive information lay in his cable profile. A cable profile is an internal document which determines the clearance level and subject matter for which an official will receive State Department cable traffic. Huang's profile indicated that he was to receive material up to the secret level. Because Huang held a top secret clearance, he could have restructured his cable profile to receive significantly more cable information. He never did so.¹¹⁴

In addition, Huang's profile called for him to receive only traffic addressed directly to him or to the office of the Principal Deputy Assistant Secretary. By contrast, Johnstone, Huang's predecessor, had established a cable profile for himself that included material relevant to all areas of IEP's business, regardless of his level of involvement in the work.¹¹⁵ Johnstone based his need for this information on his desire to have general background information on all of the work of IEP.¹¹⁶ This profile included all information on the General Agreement on Tariffs and Trade ("GATT"), China, the Middle East, APEC, information on areas where travel was planned, information on individual projects of the IEP, and political issues of the regions of IEP.¹¹⁷ Although Huang could have done similarly, he never attempted to change his profile, as noted above.

While much has been made of the number of intelligence briefings Huang received, he was actually briefed far less frequently than Johnstone and other Commerce officials who received weekly briefings.¹¹⁸ Huang received oral briefings from John Dickerson of the Department's Office of Intelligence Liaison ("OIL") 37 times in 14 months, an average of 2.5 times per month.¹¹⁹

Dickerson testified that the subjects of the briefings included "areas of international relations and trade that we seem to feel were his responsibility."¹²⁰ Briefings of this type took an average of 20 minutes, and the contents were largely at the discretion of the briefing officer. Huang was shown documents during briefings; however, the documents were not left with him, and he was not allowed to take notes about them. Dickerson further testified that Huang was not particularly interested in the material on which he was briefed:

Q: During your briefings, did he ask you a lot of questions?

A: I would say he asked very few questions.

Q: Did he seem to be aggressively pursuing classified information?

A: No, to the contrary. He was not very aggressive in that regard at all.

Q: Do you have any reason to believe that he handled classified information in an improper fashion?

A: I have no reason to believe that.¹²¹

Overall, Huang appears to have been a passive recipient of briefings provided to him as a matter of routine. He further appears to have had minimal interest in gaining access to classified information.¹²² Dickerson told the Committee that had he believed Huang to be a security risk he would not have given him classified information.¹²³

No evidence was presented to the Committee that Huang mishandled or compromised any

classified material provided to him. Indeed, this very question was put to three security officials from the Department of Commerce:

Q: To your knowledge, was there ever any time when he divulged any classified information that was not given to people fully cleared to receive it, or misused any of this intelligence information in any way, all three of you?

Mr. Dickerson: No.

Mr. Gallagher: No, sir.

Mr. McNair: No, sir.¹²⁴

The fact that Huang had made use of a spare office in the Washington, D.C., offices of Stephens, Inc. (“Stephens”) during his tenure at Commerce was thought to support an allegation that Huang was passing classified information to the Lippo Group, the Chinese government, or both.¹²⁵ No evidence was presented to the Committee, however, to prove that Huang used the Stephens office for such purposes. Indeed, no conclusive evidence was ever presented to the Committee as to exactly what Huang did at the Stephens office.

Huang’s Use of the Stephens Office

Stephens, Inc. is one of the largest investment banking firms in the U.S. It is based in Little Rock and has offices in Washington and other cities. Stephens has a business relationship with the Lippo Group that dates back to 1977. In the 1980s, Huang, as a Lippo employee, was involved in Lippo’s dealings with Stephens. As a result, Huang has had a long personal relationship with Vernon Weaver, who headed Stephens’s Washington office. It was this office, located across the street from the Department of Commerce, that Huang made use of while employed at the Commerce. Indeed, many of Huang’s visits to the Stephens office involved a meeting or lunch with Weaver.¹²⁶

The Committee’s investigation of Huang’s use of the Stephens office focused on the testimony of two clerical employees: Paula Greene and Celia Mata. Greene worked as an administrative assistant in the Stephens office from 1993 through 1996, while Mata worked as a receptionist. Vernon Weaver was interviewed by committee staff in the early stages of the investigation, but was not later asked to give a deposition or public testimony.

According to the testimony of Greene and Mata, Stephens had a spare office that was used by visiting Stephens employees and friends of the firm. The office was not specifically set aside for Huang’s use and there was no special arrangement for him to use this office.¹²⁷ The office, which contained a desk, a telephone, and a chair, was located two doors down from where Greene sat.¹²⁸ In order to enter the suite where the office was located, a visitor would have to ring a bell and be buzzed in by Mata.¹²⁹ Regular Stephens employees all had a key to the suite --

Huang was never given a key.¹³⁰

According to Greene, anyone who used the spare office had unrestricted access to the photocopier and fax machines.¹³¹ There were no security or recordkeeping measures in place to monitor such use.¹³² Green testified that anyone using the machines would have to pass two receptionists and several other offices to get to the machines.¹³³ No testimony was ever presented from anyone in the Stephens office who had witnessed Huang using either the photocopier or the facsimile machine.

Greene did testify that Huang used the phone in the Stephens office. The Committee subpoenaed Stephens's telephone records; however, even after analyzing the records, the Committee was unable to find a reasonable basis for attributing specific calls to Huang's use of the spare office and was unable to identify any inappropriate calls on the records.¹³⁴

Greene testified that Huang was the most frequent non-employee user of the spare office, visiting about once or twice a week.¹³⁵ Mata's testimony, however, was that Huang "would come, you know, once or twice every week or there would be, like, weeks where he wouldn't come."¹³⁶ She also stated that his visits would last "the most, ten minutes."¹³⁷ Not only were Huang's visits short in length, but they occurred primarily at lunchtime,¹³⁸ a time when he would have been seen by a number of people moving in or out of the office. This would hardly seem to comport with the behavior of someone who was trying to surreptitiously pass classified information to foreign contacts.

Greene testified that she would notify Huang if any packages or facsimiles came into the Stephens office for him.¹³⁹ This was done at Weaver's request.¹⁴⁰ Greene testified that she was specifically instructed by Weaver to speak directly to Huang if she had to notify him of a package or fax, and not to leave a detailed message if he was unavailable.¹⁴¹ While it was insinuated that this was a peculiar practice (and indeed, Greene stated this was not Weaver's usual practice), Greene testified that it was her impression that Weaver merely did not want his name to "appear on the logs very frequently" in order to "avoid bad appearances."¹⁴²

Greene stated that she would put any packages or faxes for Huang in the "in" box of the spare office. She said that she was not aware of Huang sending packages from the Stephens office, only receiving them.¹⁴³ With regard to facsimile transmissions, Greene testified that Huang received two to three such transmissions per week.¹⁴⁴ She was unaware, however, of the nature or source of these transmissions.¹⁴⁵

The evidence received by the Committee failed to support allegations that Huang used the Stephens office to pass classified information to the Lippo Group, the Chinese government, or anyone else. Indeed, the evidence before the Committee failed to establish in any manner what Huang's purpose was in using the Stephens office. What the evidence showed was that Huang stopped by the Stephens office from time to time at lunch to visit with Weaver, to use the telephone, or to pick up packages or messages. It is possible that Huang's use of the Stephens office was for no other purpose than maintaining personal contacts. Indeed, the Committee did

receive evidence that throughout his tenure at Commerce, Huang continued his personal involvement with many organizations, including the Committee of 100.¹⁴⁶ The evidence simply does not allow conclusive determinations to be made. What is clear, though, is that Huang's use of the Stephens office was open and obvious, not secretive as might be expected from one attempting to pass classified information.

Huang's Post-Commerce Clearance

The final issue pertaining to Huang's access to classified information concerns the fact that he had an active security clearance for over a year following his departure from Commerce. This fact has been used to insinuate that Huang was involved in a scheme to continue obtaining classified material. Once again, however, there is no evidence that Huang used this clearance after leaving Commerce or that he even knew that his clearance was active.¹⁴⁷ Indeed, the evidence establishes that due to procedures required for any use of a security clearance, Huang would not have been able to make use of the clearance even if he had attempted to do so.¹⁴⁸

During his tenure at Commerce, Huang found himself in the midst of a turf battle among several factions due to the changes that Garten had made to the way the ITA conducted business. Huang, Assistant Secretary Meissner, and several other officials had been marginalized in favor of those supported by Garten.¹⁴⁹ After a little more than one year, Huang began to make inquiries and ultimately secured a position at the Democratic National Committee as a fundraiser.

Evidence presented to the Committee established that Meissner attempted to retain Huang as a consultant after he announced his intention to leave Commerce.¹⁵⁰ Such an arrangement was conceived as a way for Huang to assist Meissner during the transition period between the time he left and the time his replacement was found.¹⁵¹ Before obtaining approval for the arrangement, Meissner initiated paperwork for such a consulting position, an application for a clearance through the Defense Industrial Security Clearance Office of the Department of Defense ("DISCO"). This type of clearance is generally used for government contractors.

Meissner discussed this proposed arrangement with Alan Neuschatz, Director of Personnel, and Tim Hauser, Deputy Under Secretary. Both men immediately disagreed with the idea and told Meissner that the appointment would not be approved. Meissner, however, determined to take the proposal up with more senior officials. In response, Neuschatz penned a note which was attached to the paperwork for this proposed appointment. Neuschatz described the note in deposition testimony in the following terms:

I knew Meissner had wanted to make this appointment, and what I was saying to them here is. . . I think this issue is dead, and that's because we told him, no, we weren't going to do it. But it may not be, and the "may not be" reflects Meissner's parting shot that he was going to discuss this upstairs.

So what I'm telling them is to hold on to this package for a while, or at least until the smoke clears, meaning we get absolute clear and final guidance. I didn't want

to throw paperwork away that might actually be needed eventually, but I didn't think it would be needed.¹⁵²

Meissner did, in fact, take the issue up with Will Ginsberg, Secretary Brown's Chief of Staff. Ginsberg ultimately denied the request, and Huang never became a consultant. While the consultant position was in the process of being denied, the paperwork for the security clearance that went along with the position was still going forward. An administrative assistant at IEP stated that she had walked the application for the security clearance up to the security office at the direction of Meissner prior to the final decision not to make Huang a consultant.¹⁵³ The request for the security clearance went forward in one office, while the authority to make the underlying appointment was being considered, and ultimately denied, in another. Neuschatz described this process in the following terms:

The fact that the ITA Security Office acted without authorization, I think, reflects more their desire to support management than any intent to circumvent it.

Clearly what happened was staff approached the ITA Security Office and said "Meissner. . . is going to convert Huang to a consultant and we'll need the appropriate clearance."

These people, I think, in the interest of minimizing red tape and minimizing confusion, put the train on the track assuming that they had Meissner's authorization. What they could not have known was that when Meissner approached me and [Deputy Undersecretary] Tim Hauser who do have the authority to approve positions such as this, we turned it down cold.¹⁵⁴

On December 14, 1995, the Defense Department sent a form to the Commerce Security Office indicating that Huang had been granted a clearance through the DISCO. According to the testimony of the two highest-ranking members of the Commerce Security Office,¹⁵⁵ a clerk filed Huang's DISCO clearance form with all other DISCO clearance forms received from the Defense Department. The form remained in the file until it was discovered in January 1997.¹⁵⁶

According to the Deputy Director of the Security Office, proper procedure would have been for the DISCO clearance to have been input into the Security Office database. Due to personnel changes in the Security Office, however, some 90 days went by during which no one was inputting incoming DISCO clearances into the database. Had the clearance been input in mid-December, it conceivably would have raised issues because Huang was still on the payroll and still had a clearance. Further, had it been properly input, the Security Office would have been aware of the DISCO clearance when it was notified in January 1996 that Huang had left Commerce.¹⁵⁷

In his deposition, Neuschatz stated that after learning that Huang's clearance had been extended, he investigated whether Huang had used the clearance to gain access to classified material.¹⁵⁸ This investigation led him to conclude that Huang had never attempted to gain such

access nor could he have done so had he tried.¹⁵⁹ According to Neuschatz, classified document access has two components: clearance and need to know. The granting agency has to verify clearance for any request for access from outside of that agency.¹⁶⁰ Neuschatz told Senate investigators that for Huang to have used his clearance, a request would have to have been forwarded from the issuer, and a record would have been kept. No such request was ever found in Commerce's records. Furthermore, Huang's clearance was contingent on his contemporaneous employment in some manner with Commerce. As Neuschatz described it:

Because the requirements for the issuance of the clearance went away with the disappearance of his job; therefore, this really was not a valid clearance once he terminated his employment with [DOC].¹⁶¹

Testimony is unequivocal that no one in ITA was notified of the clearance. In fact, there is no evidence that anyone other than the clerk who initially filed the form was aware that the clearance existed. This includes Huang. Neuschatz testified, "I have no reason to believe that Huang would have been aware of this [extension]."¹⁶²

While the fact that Huang neither knew about nor used the clearance dispels any concern about sinister motives with respect to this episode, the fact that the security clearance was granted even though the consultancy was not reveals a failure in the Department of Commerce security screening procedures.

No Evidence of Espionage

While the Committee's investigation uncovered some serious shortcomings in the operation of the Commerce Department's Security Office, there was no evidence presented to the Committee that any security measures were circumvented, ignored, or compromised specifically to benefit Huang. Indeed, to the extent that these shortcomings led to the approval of Huang's clearance prior to his arrival at Commerce and to the extension of his clearance after he had departed, the evidence before the Committee shows that Huang was not even aware of these facts.

More importantly, there was no evidence presented to the Committee that Huang exploited his position at the Commerce Department to pass classified information to the Lippo Group, the Chinese government, or anyone else. Indeed, the evidence shows that Huang availed himself of considerably less information than he could have obtained in light of his position. He declined the opportunity to obtain a higher level of clearance, he declined the opportunity to broaden his access to cable traffic, and he declined the opportunity to use his intelligence briefings from the OIL to aggressively pursue classified information.

Evidence before the Committee does not allow for any conclusion with respect to Huang's continued contact with the LippoBank in California. In his deposition, James Per Lee, current President of the LippoBank California testified that he had undertaken an internal investigation of Huang's calls to the bank that showed Huang's calls from the Department of Commerce to the

bank were largely an exchange of telephone messages received for Huang by the executive secretary and that conversations with Huang lasted an average of three minutes.¹⁶³ Per Lee later publicly stated that in his investigation of the calls he saw no indication Huang was “in any way relaying messages abroad.”¹⁶⁴ Despite being interviewed and deposed by the Committee, subpoenaed to appear for hearing, and given a date and time for testimony, less than forty-eight hours before his scheduled appearance, Per Lee’s testimony was abruptly canceled.

It should also be noted that at the outset of this Committee’s hearings Huang offered to come before the Committee and to testify fully about any allegations that he may have misused his position on behalf of foreign governments or corporations. While he requested limited immunity, he offered to testify without immunity with respect to matters pertaining to espionage, economic espionage, or the unlawful disclosure of classified information. Although the Minority does not conclude that Huang’s offer of testimony is proof of his innocence, we do believe that in light of the lack of evidence to the contrary, his offer to testify without reservation regarding these allegations -- and with all the applicable penalties of perjury attendant to such testimony -- should be given some consideration. Unfortunately, the Committee did not pursue Huang’s offer and, as a result, a potentially important opportunity to receive a response to these allegations was lost.

The evidence before the Committee -- or more appropriately, the lack thereof -- was encapsulated in the following exchange during the Committee’s questioning of the CIA’s John Dickerson and Robert Gallagher of Department of Commerce Security Office:

Senator Durbin: Gentlemen, if I can try to summarize my own view of where we have come to this point in regard to Mr. Huang, I think there are two concerns and perhaps a third. The first concern is whether or not Mr. Huang played fast and loose in his fundraising activities, especially when it came to raising foreign funds, and the second concern is whether or not he compromised our national security. . .

I want to ask you open-ended questions, not shepherding you in any direction here, just to get your opinion based on what you knew then and what you know now. Mr. Gallagher, maybe I will start with you, and maybe Mr. Dickerson can follow.

First, is it your opinion that Mr. Huang was properly cleared to learn

classified information at the
Department of Commerce?

Mr. Gallagher: Yes, sir.

Senator Durbin: Mr. Dickerson, is that your opinion, or do
you have an opinion?

Mr. Dickerson: That is my opinion, yes.

Senator Durbin: Has anything come to light since this
controversy has arisen to change your view
on that? Mr. Gallagher?

Mr. Gallagher: I have seen no evidence to the contrary. No, sir.

Senator Durbin: Mr. Dickerson?

Mr. Dickerson: And similarly, I have seen no evidence that
would indicate that.

Senator Durbin: Now, the second thing, the second charge is
that Mr. Huang while at the Department of
Commerce was shown things he should not
have seen for any number of reasons, his
business connections, his security clearance,
whatever.

Mr. Gallagher, based on what you knew then, is there any
question in your mind as to what you showed Mr. Huang
and whether or not what Mr. Dickerson showed Mr. Huang
and whether he should have seen it?

Mr. Gallagher: In terms of the information that my office
controls, we were 100-percent correct in
what we showed him.

Senator Durbin: Now, with all the information that has come
out and all the allegations since today, do
you believe there are things that Mr. Huang
should not have seen at the U.S. Department
of Commerce?

Mr. Gallagher: I think we have to distinguish between the

information and allegations. All I have seen is allegations. Until I saw hard evidence of these allegations and as long as he continued to have both his need-to-know and his clearance, we would continue to brief him as we had.

Senator Durbin: Mr. Dickerson, the same questions. Did you feel that you were showing things, did you have any suspicion in your mind, that Mr. Huang should not have seen while he worked at the Department of Commerce?

Mr. Dickerson: No, I had no suspicions whatsoever that what I was showing him was inappropriate for him.

Senator Durbin: And today, based on allegations and information, do you have a different view?

Mr. Dickerson: No, I don't have a different view because I have no personal knowledge that he did anything in an unauthorized manner in the handling of this classified information.

Senator Durbin: The third allegation appears to be that he may have misused the information which was given to him, may have compromised a source or compromised the information. As you sit there today, Mr. Gallagher, do you have any information to suggest that that is the case?

Mr. Gallagher: I have never been presented with any evidence to prove or disprove that allegation.

Senator Durbin: Mr. Dickerson?

Mr. Dickerson: I would echo what Mr. Gallagher has said in that regard.

Senator Durbin: Now, I assume in your business, when you are sharing delicate and secured classified information that there is a counterintelligence

aspect to this to determine whether or not the people that you are sharing it with are keeping it to themselves, is there not? Mr. Gallagher?

Mr. Gallagher: Certainly, with all intelligence, sir.

Senator Durbin: Now, in terms of this period of time, some 13 months at the Department of Commerce, was there any evidence that the information that was being shared with Mr. Huang or anyone at the Department at that time was being compromised?

Mr. Gallagher: I was not presented with any such evidence.

Senator Durbin: Mr. Dickerson?

Mr. Dickerson: To the best of my knowledge, no.¹⁶⁵

Evidence of Solicitations of Contributions

While there was no evidence presented to the Committee to support an allegation that Huang engaged in espionage while employed at the Commerce Department, there were indications that he may have engaged in soliciting donors to the Democratic National Committee while so employed. Specifically, Huang may have been involved in soliciting donations by Kenneth and A. Sihwarini Wynn, Mi Ahn, and Arief and Soraya Wiriadinata while employed at the Commerce Department. Although the evidence is not conclusive, it is sufficient to warrant further investigation by appropriate authorities.

Evidence before the Committee shows that on August 1, 1994, Wynn, the president of Lippoland, Ltd., and his wife each made a \$5,000 contribution to the DNC in connection with an event celebrating the President's birthday.¹⁶⁶ The check tracking form completed by the DNC for these donations listed John Huang as the solicitor.¹⁶⁷ This was only one month after Huang had begun working for the Department of Commerce and almost a year and a half before he began working for the DNC. When questioned in a deposition about this listing, David Mercer, DNC deputy finance director (and the individual responsible for filling out the form), testified that he did not know at the time that Huang was working at the Commerce Department.¹⁶⁸ He further testified that he did not recall who solicited the Wynns, nor how he received the checks from the Wynns.¹⁶⁹

Slightly over a year later, on October 12, 1995, Wynn contributed \$12,000 to the DNC in connection with another event.¹⁷⁰ This time, the DNC tracking form listed Jane Huang (John Huang's wife) as the solicitor.¹⁷¹ Just before Jane Huang's name, however, is a word that has

been crossed out. This word appears to be “John.”¹⁷² When questioned about this contribution, Mercer testified that he did not know if Jane Huang had solicited this contribution and further, that he “did not know the circumstances leading to this check being submitted.”¹⁷³ When asked how he knew to put Jane Huang’s name down as the solicitor, Mercer first stated that someone told him to, but he could not remember who it was.¹⁷⁴ Mercer then suggested in the alternative that he may have done so because of his recollection that the Huangs were associated with the Wynns.¹⁷⁵ Upon being asked why he chose to put Jane Huang’s name down if his recollection was that the Huangs generally were associated with the Wynns, Mercer stated he could not recall.¹⁷⁶

The DNC’s listing of John Huang as the solicitor for the Wynns’ August 1994 contributions, followed by what appears to be a listing of John Huang’s name on the October 1995 contribution -- only to be crossed out in favor of Jane Huang -- tends to support the allegation that Huang was involved in soliciting contributions while a Commerce employee. Moreover, Mercer’s testimony with respect to these contributions raises more questions than it answers.

Similar questions are raised with respect to a contribution by Mi Ahn. On June 12, 1995, Ahn, the president of Pan Metals, contributed \$10,000 to the DNC in connection with a Presidential Gala.¹⁷⁷ The DNC check tracking form filled out by Mercer lists Jane Huang as the solicitor.¹⁷⁸ When asked in his deposition why he listed Jane Huang as the solicitor, Mercer testified that he did not have a clear recollection and that it “either [had] something to do with either sending the check or getting the check to us in some way involved or knowing Mi Ahn. . . .”¹⁷⁹ Asked directly if he knew Jane Huang had solicited Ahn’s check, Mercer stated, “I don’t know that for a fact.”¹⁸⁰

It appears, however, that John Huang may have been involved in the Mi Ahn solicitation. Evidence was presented to the Committee that on May 26, 1995 -- two-and-a-half weeks before Ahn’s contribution -- four telephone calls were placed between Huang and Ahn.¹⁸¹ Ten days later -- on June 5, 1995 -- two more phone calls were placed.¹⁸² On June 6, 1995, Mercer called Huang at the Commerce Department and left the following message: “Have talked to Mi, thank you very much.”¹⁸³

When asked why he was thanking Huang, Mercer testified: “I don’t know. I don’t recall. It could have been he gave me her number. It could have been a number of things. I don’t know particularly what I was thanking him for.”¹⁸⁴ Again, Mercer’s testimony with regard to his listing of Jane Huang as the solicitor and his inability to recall his reason for thanking John Huang leaves room for concern about Huang’s role as the possible solicitor of this contribution.

Jane Huang was also listed as the solicitor of two contributions made in November 1995 by Arief and Soraya Wiriadinata.¹⁸⁵ The Wiriadinatas, who were permanent legal residents at the time of their contributions, are the daughter and son-in-law of Hashim Ning, a business associate of Lippo founder Mochtar Riady. Between 1995 and 1996, the Wiriadinatas contributed about \$450,000 to the DNC in multiple checks. Once again, when questioned as to how he knew to

credit the two 1995 contributions to Jane Huang, Mercer stated that it was “[t]hrough an understanding prior of the Wiriadinatas having association with the Huangs.”¹⁸⁶ Mercer could not recall, however, how he had come to that understanding,¹⁸⁷ nor could he recall what his understanding was as to how they were associated.¹⁸⁸ When asked why he didn’t put John Huang down as the solicitor, Mercer testified as follows: “I don’t recall why. I, you know, I don’t recall. I didn’t, you know -- I don’t. . . [sic] I don’t recall. Jane could have -- I could have been told that Jane was the one that brought these checks in. I don’t know.”¹⁸⁹

Committee staff interviewed the Wiriadinatas concerning their contributions. According to Arief Wiriadinata, they first met John Huang when he came to visit Soraya’s father in the hospital in the summer of 1995.¹⁹⁰ Huang encouraged the Wiriadinatas to support the Democratic Party at that time, although it does not appear that he directly solicited a specific contribution.¹⁹¹ Indeed, the Wiriadinatas’ first contributions were not until November 1995.¹⁹² According to the Wiriadinatas, the November 1995 contributions were solicited by John Huang.¹⁹³ In fact, Arief Wiriadinata told the Committee staff that all of their contributions were made in consultation with John Huang.¹⁹⁴ When asked if any of their contributions had been solicited by Jane Huang, the Wiriadinatas stated that they had never met Jane Huang, nor did they believe that they had ever spoken to her.¹⁹⁵

The evidence clearly indicates that John Huang played a role in the contributions from the Wiriadinatas and that this role began while he was still an employee of the Department of Commerce. Moreover, the evidence also points to his having played a role in the contributions of the Wynns and Mi Ahn. These instances are all worthy of further investigation by the appropriate authorities to determine whether John Huang violated the Hatch Act, which limits certain political activity by federal employees, or other campaign laws.

Perhaps even more disturbing is the documentary evidence which shows the DNC listing Huang as a solicitor during a time when he was a Commerce Department employee. The fact that David Mercer, DNC’s deputy finance director, listed Huang as a solicitor and called him at the Commerce Department, combined with Mercer’s questionable recollection regarding the tracking form containing Jane Huang’s name, raises serious questions about the forthrightness of Mercer, the procedures at the DNC at this time, and the level of oversight that was provided in connection with Huang’s activities. Indeed, this lack of oversight proved even more problematic once Huang joined the DNC staff.

HIRING HUANG TO WORK AT THE DNC

Having perhaps become disillusioned with his position at the Department of Commerce as a result of internal power struggles within the ITA, Huang began searching for another way to serve the Administration. That search led him to the DNC. Although he had raised money for the 1992 Clinton campaign,¹⁹⁶ he had done so at that time as an unpaid volunteer fundraiser. The position he sought in 1995 was that of a full-time paid fundraiser. In seeking this position, Huang apparently utilized the network of contacts he had developed while working for the Lippo Group.

In his deposition before the Committee, C. Joseph Giroir, an Arkansas lawyer for the Lippo Group and a friend of John Huang, said he learned of Huang's interest to move to the DNC to raise money in the Asian-American community.¹⁹⁷ As he conveyed this information to then-DNC Finance Chairman, Truman Arnold, he learned that Arnold was leaving his post at the DNC. As a result, in the summer of 1995, Giroir arranged a meeting with DNC Chairman Donald Fowler to suggest that Fowler hire Huang as a fundraiser.¹⁹⁸ Because Giroir was viewed by the DNC as a potential contributor, DNC Finance Director Richard Sullivan attended the meeting with Fowler. In his deposition, Sullivan testified that he thought Giroir came on too strong and, for some reason, "had rubbed him [Fowler] the wrong way during their meeting."¹⁹⁹ Sullivan speculated that, perhaps because of this, Fowler did not want to hire Huang.²⁰⁰ Fowler testified in his own deposition that he did not immediately commit to hiring Huang because the DNC did not have room on its staff for any new fundraisers at that time.²⁰¹

On September 13, 1995, Huang, Riady, and Giroir met with Sullivan and Fowler in the Four Seasons Hotel in Washington, D.C.²⁰² Sullivan recalled this meeting as fairly social; it was called for Riady to get to know Fowler, since "he thought Don was a player and that they wanted to get to know each other on a social basis."²⁰³ Fowler testified that Giroir "made it clear. . . that he would like Mr. Huang hired at the DNC."²⁰⁴

Later that same day, Huang, Giroir, Riady, and Riady's wife, Aileen, went to the White House for a visit with White House staff and the President.²⁰⁵ Also in attendance was Bruce Lindsey, deputy counsel to the President. By all accounts, this visit was a social call.²⁰⁶ Riady had lived in Little Rock during the 1980s and met the President during that period. Riady supported the President during his gubernatorial campaigns, during his presidential campaign, and after his election as well. Giroir testified that there was no structure to the September 13 visit; people were just talking. In fact, Giroir had no recollection of any mention of Huang going to the DNC.²⁰⁷ But Lindsey recalled a discussion of the importance of the Asian-American community to the President's re-election effort and the suggestion that Huang would be well-suited to work on such an initiative at the DNC.²⁰⁸

After that visit, and because, according to Lindsey, it was his experience that most people preferred to move from politics to government, rather than vice versa, he subsequently contacted Huang to ensure that he was interested in moving to the DNC. Lindsey testified in a deposition that the President may have indicated to him that if Huang, in fact, wanted to move to the DNC, that it would be a "good idea," but he stated that this was not a directive²⁰⁹ from the President to "follow up" on the discussion.²¹⁰ Lindsey ultimately informed White House Deputy Chief of Staff Harold Ickes of Huang's interest.²¹¹

On September 26, 1995, Huang and Giroir also met informally with newly-appointed DNC Finance Chairman Marvin Rosen to discuss Huang's desire to move to the DNC.²¹² This meeting had been arranged by Mark Middleton, a former White House staffer from Arkansas. Rosen indicated during this meeting that he would look into the idea of initiating a DNC outreach

program within the Asian-American community.²¹³

At the time, the DNC had employees who were responsible for political and fundraising outreach in most minority communities, including the African-American community, the Hispanic community, and women's groups. During the period that Huang was being interviewed, the DNC had an employee who was responsible for political outreach in the Asian-American community, Bill Kaneko; however, it did not yet have a staff person responsible for Asian-American fundraising. In his deposition before the Committee, Kaneko testified that he understood that Huang left Commerce to "give the Asian community an opportunity to participate in the political process."²¹⁴ Other witnesses confirm that when Huang was being interviewed by the DNC, he indicated that he was interested in Asian-American outreach generally, not just fundraising, and witnesses involved in Huang's hiring testified that they perceived Huang as capable of providing the necessary assistance to the DNC's political and fundraising outreach efforts for the Asian-American community, particularly in California.²¹⁵

Rosen testified that Ickes subsequently asked him to formally interview Huang.²¹⁶ Such an interview took place at DNC headquarters in November 1995, with Rosen and Sullivan, who were later joined by Fowler.²¹⁷ During the interview, Huang suggested that he could help to raise money in the Asian-American community for the 1996 campaign, citing his effectiveness in raising funds during the 1992 campaign.²¹⁸ According to Sullivan, Huang felt "there was a void in terms of outreach from the national parties to the Asian-American community."²¹⁹ Fowler, Rosen, and Sullivan agreed.²²⁰ Recognizing the untapped potential of the Asian-American community for Democratic fundraising efforts and political outreach, Fowler decided, on Rosen and Sullivan's recommendation, to hire Huang to manage the DNC's outreach efforts to this community.²²¹

In negotiating his position and salary with the DNC, Huang said that he needed credibility to raise money in the Asian-American community because he was older than most other fundraisers.²²² Fowler called it "a technique to convey respect and prestige,"²²³ and thought that giving Huang an elevated title would ultimately benefit the DNC.²²⁴ They negotiated the title of Vice Chair of Finance, a title normally reserved for volunteer fundraisers who are elected as honorary officers of the DNC and do not raise money full time. While Rosen was unfazed by the title,²²⁵ DNC General Counsel Joseph Sandler was concerned because this position did not actually exist for paid staff. Sandler ultimately acceded to the request.²²⁶

Salary was another concern for Huang. Seeing himself as a successful, older, more experienced person (he was 50 years old), Huang initially wanted a salary comparable to the one he had received at Commerce.²²⁷ Sullivan testified that they decided to pay Huang a salary of \$60,000 and also to give him a lump-sum, bonus-type payment at some point.²²⁸ Huang readily accepted this arrangement; indeed, Sullivan testified that Huang did not seem all that concerned about his salary.²²⁹

Huang's Understanding of Applicable Law

DNC procedures require every paid fundraiser to receive an oral briefing on campaign finance law and to familiarize himself with a written packet of information.²³⁰ During the 1996 election cycle, the briefings were conducted by DNC General Counsel Sandler or his deputy, Neil Reiff. Reiff testified in his deposition that these briefings covered many topics, including which contributions are allowable under the law, as well as what the DNC considers appropriate or inappropriate contributions. Most importantly, Reiff said, fundraisers were told to seek advice from the general counsel's office if they had any questions about specific contributions.²³¹

Sullivan testified that he was "nervous" about Huang's fundraising because Huang was inexperienced in raising money full time. Sullivan testified that he requested Huang be given a special, individualized briefing.²³² Sam Newman, director of the DNC's National Finance Council, who shared an office with Huang, testified that he recalled Huang attending one of the group briefings; Sandler had a vague recollection of this.²³³ Although there is some discrepancy between the testimony of Sandler and Sullivan as to what type of briefing Huang received, there is no dispute that he was briefed on the applicable law, and, in fact, a copy of the DNC's training materials was found in Huang's files after he left.²³⁴

In addition to whatever type of initial briefing he may have received, Huang also received assistance from the general counsel's office following his first major fundraising event. According to Sandler, DNC Treasurer Scott Pastrick suggested that Sandler review with Huang some of the checks Huang had collected from that event. Sandler testified that he believed this suggestion was made because the Asian-American community for which Huang was responsible was a new one being tapped for funds, and therefore some of the donors would be unfamiliar to the DNC.²³⁵ Marvin Rosen, DNC Finance Chair, also believed that this briefing was necessary because some of the contributors to that event were connected to American subsidiaries of foreign corporations. In Rosen's mind, this automatically raised a red flag and called for review, especially for contributions from a new fundraiser.²³⁶ DNC policy required that all contributions by U.S. subsidiaries of foreign corporations be approved by the general counsel's office.²³⁷

Sandler testified that he did conduct such a review with Huang. Within days of Huang's first event, a February 19, 1996 fundraiser at the Hay Adams Hotel in Washington, D.C., Sandler had a 45-minute meeting with Huang during which he reviewed checks about which Huang had questions, asked Huang the citizenship status of each individual who wrote a check, and inquired into the ownership of corporations that donated.²³⁸ He then inquired into the basis of Huang's knowledge and was satisfied from Huang's disclosures and claims of firsthand knowledge (which, according to Sandler, is traditionally the best information on which to rely) that the checks were legal. During this meeting, Sandler and Huang reviewed the legal limits on contributions. Sandler testified that he felt comfortable that Huang was familiar with the rules he was to follow.²³⁹

Having received an initial briefing on the laws and procedures applicable to campaign contributions, and having gone over specific instances of concern following his first fundraiser, Huang should have known what kinds of contributions the DNC could and could not accept. In light of this training, Huang's involvement in organizing a number of fundraisers which brought in

questionable -- and in some cases, illegal -- contributions is disturbing.

Huang's Fundraisers

As was true of other fundraisers targeting ethnic communities, Huang was assigned various dates for events to organize at which the President or the Vice President would be in attendance. Once given a date, Huang would have been responsible for reaching a certain fundraising goal. During his tenure at the DNC, Huang oversaw the following fundraising events, all held in 1996:

- O February 19 event at the Hay Adams Hotel, Washington, D.C.;
- O May 13 event at the Sheraton Carlton Hotel in Washington, D.C.;
- O July 22 event at the Century Plaza Hotel in Los Angeles; and
- O July 30 event at the Jefferson Hotel in Washington, D.C.²⁴⁰

In addition, after the July 30 event, Huang continued to help raise money at events,²⁴¹ such as the President's birthday party in August 1996 at Radio City Music Hall in New York City.

February 1996 Hay Adams APALC Events, Washington, D.C.

The first fundraising event for which Huang was responsible was actually a series of two events on February 19 and 20, 1996 at the Hay Adams Hotel in Washington, D.C. These events were held in connection with the Asian Pacific American Leadership Council ("APALC"). The APALC had been created to engage and empower Asian-Pacific Americans, give them a stronger voice in the Democratic Party, and focus on issues of concern to the community.²⁴² Ultimately, it was also used as the fundraising arm for this community within the DNC. Mona Pasquil testified that she was responsible for forming the APALC in late 1995. She testified that it was born out of her traveling and meeting with Asian-Pacific American leaders who recognized that there was no caucus within the DNC for this ethnic group.²⁴³

The events included a dinner with the President on February 19 and breakfast with the Vice President and a tour of the White House on February 20. Individuals paid \$12,500 each to attend these events.²⁴⁴ The Hay Adams events were organized to coincide with a "summit" of Asian-Pacific Americans at the Mayflower Hotel in Washington, D.C. on February 24, 1996.²⁴⁵

It is estimated that around 100 people attended the Hay Adams event. By all accounts, these events were successful in bringing Asian-Americans into the DNC. Fowler testified in his deposition that he recalled the events as positive in terms of outreach to the Asian-American community. He stated that there were a number of Asian nationalities represented and that he appreciated that diversity. He said he never gave a second thought to the citizenship of these

individuals.²⁴⁶

According to DNC records, the DNC raised \$716,000 from this event from 50 individuals or corporations.²⁴⁷ A number of these contributions turned out to be suspect, however, leading the DNC ultimately to return over \$100,000 from this event.

A total of \$50,000 was returned to Charlie Trie, Keshi Zhan, Yue Chu and Xiping Wang. Trie attended the event and, in fact, was the event's co-chairman. Neither Chu nor Wang attended. These contributions -- which are discussed in detail in Chapters 5 and 21 of the Minority Report -- were returned because of questions as to the source of the funds contributed.

Pauline Kanchanalak, a Thai businesswoman, and her sister-in-law, Duagnet Kronenberg, attended the event and contributed \$35,000. Their contributions were similarly returned by the DNC when it was determined that the funds contributed by Kanchanalak were actually those of her mother-in-law (see Chapter 21).

Finally, monastics from the Hsi Lai Buddhist Temple are also recorded as having contributed \$25,000 to this event. Although none attended, Maria Hsia, a longtime Democratic activist and Temple devotee, did.²⁴⁸ These contributions were returned to the U.S. Treasury over questions that the monastics may have been reimbursed for their contributions (see Chapter 21).

As noted above, Joseph Sandler, DNC general counsel, testified that after the event, Huang came to see him with contributions about which he had questions. Sandler testified in his deposition that he did not recall whether any of the contributions they reviewed were returned as a result of their conversation, but Huang initiated the return of several contributions within a month of the event because of questions of citizenship of the donors.²⁴⁹

The evidence before the Committee does not establish that Huang, or any other DNC employee or official, knew at the time that any of the returned contributions had problems. Kanchanalak appeared as a successful businessperson and had a long history of contributions. Trie likewise also appeared successful. There is no hard evidence establishing Huang's knowledge of reimbursements to the monastics, as explained below and in Chapter 21 of the Minority Report.

In addition, Jessica Elnitiarta, who runs her family's real estate company, Panda Estates Investment Inc., had been contacted by Huang about attending this event. On February 10, 1996, Elnitiarta contributed \$100,000 to purchase eight seats at the event. Among Elnitiarta's guests at the event were her father, Ted Sioeng, and two of Sioeng's business associates. Elnitiarta did not attend the event herself because of an unexpected illness in her family.²⁵⁰ Elnitiarta was eligible to contribute (she is a legal permanent resident), and her contributions have not been returned. (Sioeng-related contributions are discussed in detail in Chapter 7.)

May 13, 1996 Sheraton Carlton Event, Washington, D.C.

Huang's next major event was held at the Sheraton Carlton Hotel in Washington, D.C., on May 13, 1996, attended by the President. This event was attended by approximately 100 people. Approximately \$579,000 was raised at this event from 20 individuals and corporations.²⁵¹

Over half of the money raised at this event came from one individual -- Yogesh Gandhi. Gandhi, a permanent legal resident of the United States, contributed \$325,000 to the DNC in exchange for 26 tickets to the event.²⁵² This contribution was attributed in DNC records to both Huang and Trie.²⁵³ This contribution was ultimately returned when the DNC could not verify the source of Gandhi's funds; it was later determined that Gandhi used foreign funds from Japan supplied by an associate to pay for the contribution.²⁵⁴ A detailed discussion is provided in Chapter 21.

In addition, contributions totalling \$125,000 were deemed inappropriate and were returned to legal permanent residents Soraya and Arief Wiriadinata, the daughter and son-in-law of Lippo associate Hashim Ning, because the source of the funds could not be verified.²⁵⁵ The Wiriadinatas are not listed as having attended the event. Their contributions are discussed in detail in Chapter 21 of the Minority Report. Charlie Trie's \$10,000 contribution to this event was also returned.²⁵⁶

In all, the DNC returned \$475,000 of the \$579,000 raised at this event.²⁵⁷

July 22, 1996 Century Plaza Hotel Event, Los Angeles

One event for which there is relatively little testimony and only a few documents is an APALC gala organized by Huang at the Century Plaza Hotel in Los Angeles on July 22, 1996. A three-page briefing paper prepared for the President, the keynote speaker at the event, shows that the DNC expected to raise one million dollars from the 700 expected attendees; this was to be a "hard money" event. Most of the attendees were from California.²⁵⁸ News organizations have reported that the event was a "who's who of Asian Americans," including Ted Sioeng and James Riady.²⁵⁹

Monastics from the Hsi Lai Buddhist Temple were recorded as having contributed \$30,000 to this event, although only the Temple's abbess attended.²⁶⁰ These contributions have been returned as a result of questions as to whether the monastics were reimbursed for their contributions, as explained in Chapter 21 of the Minority Report. A contribution of \$3,000 from one of Charlie Trie's companies was returned for insufficient information. Other contributions totalling \$25,000 were returned because, according to the DNC, it was inappropriate for the DNC to have accepted such contributions, contributions were not made by the named donor, the decision to contribute was participated in by a foreign national, or simply because there was insufficient information.²⁶¹

A total of \$58,500 worth of contributions was returned by the DNC from this event,²⁶² which the DNC recorded as having raised \$367,850.²⁶³

July 30, 1996 Jefferson Hotel Event, Washington, D.C.

Richard Sullivan testified that the White House had open dates for July 1996 which were available to the DNC for events. He and Marvin Rosen offered one of these dates to Huang. According to Sullivan, he and Huang were clear that Huang should only agree to organize an event on this date if he thought he could organize another “hard” money event that would raise \$400,000 to \$500,000. According to Sullivan, Huang said he could meet these criteria.²⁶⁴

This event -- which turned out to be the final event Huang organized -- was held on July 30 at the Jefferson Hotel in Washington, D.C. It turned out to be a small gathering of individuals, many of whom were not eligible to contribute to the DNC.²⁶⁵ Contrary to the instructions given to Huang for this event, most, if not all, of the contributions Huang raised at this event were large, soft-money contributions.

In addition to the President and other DNC officials, attendees at the event, many of whom brought spouses and children, included James Riady of the Lippo Group,²⁶⁶ his wife Aileen, and three prominent Taiwanese businessmen: Eugene T.C. Wu, chairman of the Shin Kong Group, a conglomerate that includes Taiwan's second-largest life insurance company; Sen Jong (Ken) Hsui, president of Prince Motors Co. in Taipei and a former member of the central committee of Taiwan's Kuomintang party; and James L.S. Lin, a Taiwanese business associate of Wu.²⁶⁷ Hsui, who has U.S. residency status, contributed \$150,000 to the DNC which has been attributed to this event.²⁶⁸

Other contributions attributed to this event were from Jessica Elnitiarta's Panda Investments; Loh Sun International, a Los Angeles firm that imports Chinese cigarettes to the U.S.; and Edmund Pi of Hacienda Heights, California.²⁶⁹ In total, this event took in \$259,000²⁷⁰ -- far short of expectations.²⁷¹

Neither Wu nor Lin made contributions to the DNC in connection with this event, nor did anyone else who attended this event who was ineligible to contribute. The question has been raised, however, as to why the President was dining at a DNC event with such a small group of individuals, many of whom were ineligible to contribute to the DNC. Although this event was designed as a fundraiser, videotapes of the event show that the President discussed current events and issues of ethnic diversity but did not discuss fundraising.²⁷² While there is nothing illegal about such an event -- so long as those who are ineligible to contribute do not in fact do so -- there is a legitimate issue that can be raised with respect to the perception that such an event creates. This issue could have -- and should have -- generally been addressed in advance through a more careful review of attendees at small dinners with the President, Vice President or First Lady and greater supervision of DNC fundraisers and the fundraising process.

Another important question is why Huang, who had promised to raise \$400,000 to \$500,000 in “hard” money at this event, would put together an event with only a limited number of participants, a large proportion of whom were ineligible to contribute. Unfortunately, the

Committee was unable to obtain an answer to this question from Huang. All we are left with is Sullivan's speculation that perhaps Huang was trying to impress the attendees (all of whom he knew) with his ability to arrange an intimate gathering for them with the President of the United States.²⁷³

With respect to this event, and all of Huang's other events, there is no evidence that either the White House or the DNC had any knowledge of any illegal contributions as a result of these events to the DNC at the time the contributions were made.

Other Huang Activities

In addition to organizing fundraising events, Huang was involved in a number of other activities on behalf of the DNC that were of questionable propriety.

Hsi Lai Temple Event

On April 29, 1996, Vice President Gore attended an event organized by Huang and held at the Hsi Lai Temple in Hacienda Heights, California. The Hsi Lai Temple is the largest U.S. branch of the Fokuangshan Buddhist Order, a Taiwan-based Buddhist sect. The Temple operates under an umbrella organization called the International Buddhist Progress Society, a nonprofit organization incorporated in California.²⁷⁴ Approximately 100 community leaders and others from the Asian-American community had lunch with the Vice President at this event.

Criticism of the Temple event arises from three sets of allegations: that the event was a DNC fundraiser in possible violation of tax laws barring religious organizations from engaging in campaign activities; that the Temple reimbursed Temple monastics for DNC contributions in possible violation of federal election laws barring contributions in the name of another; and that the Temple used foreign funds for the reimbursements in possible violation of federal election laws barring foreign contributions. The latter two allegations are discussed in detail in Chapter 21 of the Minority Report which concludes that Temple reimbursements did take place, though without the use of foreign funds and without the knowledge of the Vice President or officials at the DNC. This section focuses on the event itself and the involvement of Huang and the Vice President.

In 1996, the Vice President routinely attended fundraisers and community outreach events organized by the DNC to motivate financial and political supporters during the campaign.²⁷⁵ Documents show that the Vice President's office was involved in scheduling two possible events for the Vice President in the Los Angeles area in April 1996, one of which was supposed to be a fundraising lunch at a private restaurant and the other a community outreach event at the Hsi Lai Temple. The evidence suggests that the fundraising lunch was canceled a few weeks before it was to take place, and Huang invited the persons scheduled to attend the lunch to the Hsi Lai Temple instead.

The evidence before the Committee shows that the Temple event was not a DNC fundraiser. It was not proposed, agreed to, organized or conducted as a fundraiser. The event was proposed by the Temple, and the Vice President agreed to it as a community outreach event. Invitations made no mention of fundraising or an admission price to attend the event. No tickets were taken or sold at the door; no campaign materials were present; neither the Vice President nor any other speaker ever solicited contributions or thanked attendees for contributing; and most of those who attended did not contribute to the DNC.

The evidence also shows, however, that Huang did use the Temple event to raise money for the DNC, both from a small number of persons who attended the event and from Temple monastics who did not attend the event. Contributions totaling \$159,000 were attributed in DNC records by Huang to this event.²⁷⁶ There is no evidence before the Committee, however, that the Vice President had any knowledge of Huang's activities or reason to believe that Huang used the Hsi Lai Temple event to raise funds for the DNC.

The Vice President and the Temple Event

In 1996, the DNC frequently requested that the Vice President attend fundraisers and community outreach events in different cities across the country. The Vice President's office worked with the DNC to schedule dates and locations that fit into his busy schedule. Typically, the DNC would identify a city where they wanted to hold an event and then request a date from the Vice President's office to schedule it. During the early planning stages, the only details provided to the Vice President's office were cities and dates for proposed DNC events.²⁷⁷ The scheduling staff would then present the DNC proposals to the Vice President for his approval. The Vice President would sign off on cities and dates, not the exact sites for events.²⁷⁸ Kimberly Tilley, the Vice President's director of scheduling, testified about the general process of scheduling the Vice President at a DNC event in another city. She stated:

... as an example there would be a request for the Vice President, let's say, to go to Chicago, and we -- I would talk to the Vice President and say there is a request for you to go to Chicago for a DNC event and here's what's happening on your family schedule, are you okay with this, and he would sign off on that.²⁷⁹

Tilley explained that as the date drew near, the scheduling office would work on the details and often discovered that the site had been changed. She testified, "many times we would find out that it was not in Chicago. It was in Winnetka."²⁸⁰

When the Vice President attended a DNC event in a particular city, other events were generally scheduled before and after the DNC event. The other events on the Vice President's schedule would often include speeches, meetings and appearances at other locations near the DNC event.²⁸¹ The different events scheduled for a particular day would often change and not be finalized until shortly before the Vice President's trip to a city. Scheduling by the Vice President's office for April 1996 events was handled in the usual manner. Early in the planning process for

April 1996, the Vice President agreed to travel to California long before the details of the trip were determined. The details, including the number of events he would attend, the cities he would visit and the sites of each event were determined over a period of time and were not finalized until shortly before the Vice President's trip.

Beginning in January 1996, the DNC proposed a series of fundraisers for the President and Vice President to schedule in April, May and June.²⁸² No specific dates or sites were identified, the DNC simply suggested in its proposed calendar a month and a city in which to hold a fundraiser. A January 2, 1996 memo from Harold Ickes to the Vice President and others, included a proposal that the Vice President attend three DNC fundraisers in the month of April in Washington, D.C., Los Angeles and San Jose.²⁸³ The event sites for the proposed cities were not identified in the DNC's proposal.

Between January 2 and February 22, 1996, the Vice President's office worked on the general DNC request to schedule fundraisers for the Vice President to attend in California in April 1996. As an example, the Vice President's ever-changing California trip included a proposal to add an event in San Francisco that was later dropped.²⁸⁴ While the schedule changed often, there is no evidence that the Hsi Lai Temple was considered as a potential site for an event during the early planning stages of the Vice President's trip to California.

In March 1996, the dates of the Vice President's trip to California and the events he would attend were still not determined. Tilley received an e-mail message from one of her assistants on March 12, 1996, that showed the Vice President would travel to San Jose and Los Angeles for three days, from April 27th to the 29th, and that he could attend "some combination of possible Olympic torch event in LA, DNC fundraisers in San Jose & LA" and "Family/Private time."²⁸⁵

On March 15, Tilley sent the Vice President an electronic message asking if he would like to give a keynote address at an event in New York on "the same evening that you wanted to fly out to California overnight and then do the two fund-raisers in San Jose and L.A. while Sarah and Mrs. Gore visit colleges. ... We've confirmed the fund-raisers for Monday, April 29th."²⁸⁶ The Vice President responded that, "If we have already booked the fund-raisers, then we have to decline."²⁸⁷

While some have tried to claim that the Vice President's use of the word "fund-raisers" in this message proves that he knew the Temple event was a fundraiser, it proves only that the Vice President was planning to attend a fundraising event in Los Angeles well before the Temple event was added to his schedule and had coordinated the date with when his daughter was visiting colleges.²⁸⁸ As discussed below, an invitation to visit the Temple was extended by the Temple for the first time on March 15th and was not formally incorporated into the Vice President's schedule for another month, after an evaluation by the Vice President's national security adviser. The Vice President's deputy chief of staff David Strauss testified at the Committee hearing that the confirmed "fund-raisers" referenced in the Tilley message could not possibly refer to the Temple

event because that event had not yet been scheduled.²⁸⁹ “There wasn’t even an event scheduled at the temple on the 15th of March,” Strauss said. “That occurred much later.”²⁹⁰ The Tilley message demonstrates that the Temple event was a separate consideration from the DNC fundraising events that the Vice President had agreed to attend in California.

The Temple event was first proposed during a March 15th meeting between the Vice President and the head of the Temple, the Venerable Master Hsing Yun.²⁹¹ This meeting had been arranged by Huang and Maria Hsia, a fellow Democratic activist in the Asian-American community.²⁹² In an interview with Committee investigators, the Master said, “I only met with Gore for 10 minutes. We had a very polite conversation, then I departed.”²⁹³ Briefing papers for the Vice President state that the two “discussed Master Hsing Yun’s charity work in California and elsewhere.”²⁹⁴ At the end of this brief meeting, the Master invited the Vice President to visit the Hsi Lai Temple in California.²⁹⁵ Vice President Gore responded that he would consider it since he was expecting to be in California in late April.²⁹⁶ This exchange reinforces the fact that the Vice President was already planning to visit California at the time of this meeting, and the Temple visit was a possible additional event, rather than the original reason for his visiting the area.

The evidence indicates that after the meeting between the Temple’s master and the Vice President, Huang and Hsia began planning two events in the Los Angeles area for April 29, a fundraising lunch at the Harbor Village Restaurant in Monterey Park and an Asian-American community outreach event at the Temple. Although the Harbor Village Restaurant in Monterey Park has no record of a reservation for April 1996,²⁹⁷ a draft invitation produced to the Committee by Hsia corroborates the planning for this event and that the organizers originally proposed two different events at two different locations for the Vice President.²⁹⁸ Moreover, a March 23, 1996, letter from Hsia to the Vice President demonstrates that the Vice President was specifically told of the plans for two events. The letter to the Vice President stated:

John Huang has asked me to help with organizing a fundraising lunch event, with your anticipated presence, on behalf of the local Chinese community. After the lunch, we will attend a rally at Hsi Lai Temple where you will have the opportunity to meet representatives from the Asian American community and visit again with Master Hsing Yun. The event is tentatively scheduled for April 29 and I am hoping you will be able to attend.²⁹⁹ [emphasis added]

Further corroboration that two events were planned was provided by Charlie Woo, an attendee of the Temple event and contributor to the DNC, who told Committee staff that Huang had contacted him to attend an April event with the Vice President.³⁰⁰ Woo identified this event as originally scheduled to be held at the Harbor Village Chinese Restaurant in Monterey Park. Woo said Huang called with the location change to the Hsi Lai Temple less than a month before the event and Woo was told that due to scheduling problems, there would only be this one event. Because Huang never told him otherwise, Woo said he arrived at the Temple event “with a check in my pocket” believing that he was going to a fundraiser. He said that he thought it was “weird”

that there was “no mention of money at the event.”³⁰¹

At some point in early April 1996, the DNC canceled the Los Angeles fundraiser but not the community outreach event at the Hsi Lai Temple.³⁰² Huang contacted Richard Sullivan, the DNC’s finance director, to inform him that there were problems with the proposed site for the fundraiser.³⁰³ Sullivan testified,

I think Maura (McManimon) and/or John said they were having problems working in the location, and then ... subsequently, I believe John told me that the place that he wanted -- that the home -- I believe it was a home that he wanted to have it at -- would not work with the Vice President’s schedule, that he was doing things downtown and couldn’t put enough time in the schedule to get out to this home -- it may have been a restaurant, but I remember it as a home -- and that he had to change the location. Then he came back, I think a day or two later, and said that he wanted to do it at a temple.³⁰⁴

One or two days later Huang and Sullivan discussed the Hsi Lai Temple as a possible site for a DNC event. Sullivan told Huang “you can’t do a fundraiser at a temple,”³⁰⁵ and Sullivan was assured by Huang that the temple event would not be a fundraiser.³⁰⁶ Instead, the Hsi Lai Temple event was intended to express appreciation to past contributors to the DNC and to encourage others in the Asian American community to contribute in the future.³⁰⁷ Huang told Sullivan that he “would not charge people” and that he “was going to invite people for free” to attend the “community outreach” event at the temple on April 29, 1996.³⁰⁸

On or about April 3, 1996, Sullivan informed the Vice President’s office of the changes and told them that the temple event would be an “outreach event,” not a fundraiser.³⁰⁹ Strauss does not recall this specific conversation with Sullivan and Huang, but he testified that he had no reason to believe that he did not have such a conversation with them.³¹⁰

The evidence before the Committee indicates that the Temple event was not actually incorporated into the Vice President’s schedule until the latter half of April. Documents prepared for a scheduling meeting for the Vice President’s California trip and a memorandum by Huang reflect the fact that as late as April 11th, two weeks beforehand, the Hsi Lai Temple had not been confirmed by either the White House or the DNC as the site for an event.³¹¹

In mid-April 1996, the Hsi Lai Temple event was characterized by some staff members as a fundraiser while others, who worked closest on the April 29, 1996 schedule, believed it was a community outreach event. In several internal communications, including e-mails and memos between staff members, the term “fundraiser” was used to describe the Hsi Lai Temple event. The director of the scheduling office, Tilley, testified, “I think that there was a certain sloppiness in the terms we were using, whether it was finance or fundraising.”³¹²

The scheduling office usually referred to an event from the DNC Finance Department as a fundraiser, even though it may not have been a fundraiser.³¹³ Tilley testified that:

A: “There were traditional fundraisers that were ticketed events at the door. There were events that were community outreach like this Asian-Pacific where it was part of the DNC Finance plan, where in order for someone to be a member, there was a certain amount of money they paid to be a part of that, you know, committee or whatever they called; and then there were those people to whom they wanted to reach out to, who they hoped would become donors.

Q: And would you define outreach events as different than fundraisers?

A: Yes, I would.³¹⁴

On April 11, 1996, the day of the “Preliminary California Meeting” Huang faxed a memorandum to Kim Tilley regarding a “Fundraising lunch for Vice President Gore 6/29/96 [sic] in Southern California.” in which he wrote:

Per our discussion this morning, I have furnished the following information to you regarding the proposed event.

1. Proposed location:
Hsi Lai Temple
Hacienda Heights, California

This temple was established by Venerable Master Hsing Yun during 1980’s with many structures including Large dinning [sic] facility ... To show his appreciation and friendship to Vice President Gore, Master Hsing Yun would like to host this upcoming Vice Presidential event in L.A....

3. Hsi Lai Temple has hosted other political events before ...

5. ... Please let me know if I can provide any further information. I certainly would appreciate to know the answer asap if we can proceed on this matter. If so, in what parameters can we do, or not do.³¹⁵

Jackie Dycke, who worked on the April 29, 1996 schedule until mid-April, before it was reassigned to Ladan Manteghi, prepared notes for the April 11th meeting which included the following information: “DNC Luncheon in LA/Hacienda Heights: 1000-5000 head /150-200 people.”³¹⁶ Dycke testified that she obtained this information for a proposed event from Maura McManimon who worked with John Huang for the DNC.³¹⁷

The character of an event would often change during the scheduling process. Strauss was questioned during the Committee hearings about the scheduling process and he testified:

Q: Is it common in your experience with regard to the Vice President’s schedule and

how it evolves that an event may be contemplated, but that over time and indeed on fairly short notice, its character could change or the event itself could be canceled?

Mr. Strauss: That is correct.

Q: Does that happen often?

Mr. Strauss: That is correct.³¹⁸

As of April 11, 1996, Huang, an organizer of the Hsi Lai Temple event, had not yet received confirmation that the Vice President would even be attending an event at the Hsi Lai Temple on April 29, 1996. Other documents, including an April 19th message just ten days before the event, indicate that a decision on the Temple event was delayed pending an evaluation by the Vice President's national security advisers who approved the event but cautioned against permitting it to be characterized as one favoring Taiwan.³¹⁹ John Norris, who works in the Vice President's foreign policy office, wrote a note to Bill Wise, deputy director of the Vice President's foreign policy office, regarding the Hsi Lai Temple event. In his April 16, 1996 note, Norris wrote:

State notes that any affair involving Taiwan involves some risk of political exploitation by people from Taiwan.

State's advice is to make John Huang of the DNC responsible for managing the event to ensure the VP is not embarrassed –

-- the event is for the Chinese community of Southern California; it is not a "Taiwan" event;

-- there are no Taiwan flags or KMT symbols or other signs that would be embarrassing for the VP;

-- no Taiwan politician should be allowed to exploit this event.³²⁰

Wise wrote a hand note to Leon Feurth, the Vice President's National Security Advisor, on the bottom of Norris's April 16, 1996, note with his opinion regarding the Hsi Lai Temple site. Wise wrote:

I think it may be difficult for the sponsors to meet the three criteria suggested by State -- but they will certainly claim that they can.

...

I suspect the VP might get to go ahead since we cannot point to a specific problem."³²¹

On April 19, 1996, Norris received an e-mail message from Robert Suettinger regarding the foreign policy ramifications of holding an event at the Hsi Lai Temple. Suettinger wrote:

This is terra incognita to me. Certainly from the perspective of Taiwan/China balancing, this would be clearly a Taiwan event and would be seen as such. I guess my reaction would be one of great, great caution. They may have a hidden agenda.³²²

Tilley explained that the Vice President's National Security Office needed to approve the Hsi Lai Temple as an appropriate site for the Vice President to visit, based on foreign policy considerations. Tilley testified, "for an event like this, we would not have proceeded -- the Vice President would not have done it if the National Security Office had not signed off."³²³ In response, the Vice President's office informed the Temple that the Vice President could attend the event only if all Taiwanese national symbols were removed from the site before the event took place.³²⁴ The Temple agreed to this condition.

Once the event was agreed to, the evidence indicates that the Vice President's staff organized it as a community outreach effort, rather than a fundraiser. When the event was officially added to the Vice President's schedule in the latter half of April, the key scheduler responsible for the event in the Vice President's office was Ladan Manteghi who, in mid-April, had assumed responsibility for the Vice President's April 29 schedule. Manteghi testified at her deposition that she clearly understood the event to be a community outreach event and not a fundraiser.³²⁵ She testified as follows:

Q. Do you recall ever discussing with Kim Tilley whether or not the event at the Hsi Lai Temple -- what type of an event it was?

A. She and I had conversations, obviously, about the event and the type of event it would be, and it was to be an outreach event and to basically give us exposure to the Asian community and vice versa as well. You know, this was something very major for them as well as for us in the sense that this was monumental in demonstrating an ability to participate in the political process and to have the ability to vote. ... I am an immigrant, and I know what a phenomenal sensation that is. ... [T]hat's why this was such a great effort in terms of outreach to this community and the Vice President having an opportunity to be exposed to the community and to talk about leadership and activity. ...

Q. Did you have any conversations with John Huang or Maura McManimon or anyone with the DNC about whether this was a finance-related event?

A. We had conversations, and if this were a finance event, we would have spoken in terms of dollar amounts and people's donations to participate in the event, and no such conversation ever took place, neither with John Huang nor with Maura McManimon.

Q. Or with anyone else at the DNC?

A. Or with anyone else at the DNC or the Vice President's Office. ...

Q. [D]o you recall if you received any documentation that talked about the Hsi Lai Temple event being a fundraiser?

A. No, I do not I would have known from the advance people if, you know, there were some indication of money. In the typical setting of a fundraiser, again, somebody who would have given a significant amount of money ... they would have an opportunity to shake the Vice President's hand separately from 150 people. But that was not the case, and I would have had a conversation with John Huang, and that didn't happen. ...

Q. Did you ever discuss with anyone ... about if you had concerns that the event was taking place at the Hsi Lai Temple, which was a religious center?

A. No, I did not, because ... I asked the question of John to ... explain the significance of the Temple to me, and he did, and I was comfortable with the fact that this was a place where the community congregates on special occasions ... not only a holy place, but also a community center. ...

Q. And you stated earlier that after the press accounts came out you were surprised because you didn't know anything about any fundraising activities.

A. That's correct. I mean, those were all accounts that came out in the press, and it was rather shocking to me.

Q. Because you had been talking with John Huang prior to the event, and you had had no discussions with him about fundraising activities?

A. That's correct. ... [T]his was such a 'feel good' type event, if I can really say. ... [W]e're delving into yet another group that has been a part of Americana for so many years, and you know, these people were so excited about this event. ...

Q. So there was never a time that you believed that this was going to be a fundraiser?

A. No.³²⁶

Despite this critical testimony from the key scheduler in the Vice President's office, the Majority refused to call her as a hearing witness, rejecting a unanimous request from Committee Democrats to have her testify.³²⁷

The other person on the Vice President's staff who played a key role in the Temple event was the Vice President's deputy chief of staff, David Strauss, who personally briefed the Vice President about the event, counseled him on the type of remarks that would be appropriate at the

event, and actually accompanied the Vice President to the Temple event. Strauss testified unequivocally that he understood the event to be a community outreach event and not a fundraiser, and informed the Vice President accordingly.³²⁸ Strauss testified:

I was the person who was solely responsible for telling the Vice President what this event was. He relied on my judgment about this event. I explained to him what the event was all about, suggested to him what sort of remarks to make that would be appropriate for this event. I take full responsibility for the Vice President's knowledge about this event. He got the significant information from me and from the briefing book."³²⁹

The briefing book, which Strauss testified that the Vice President would have reviewed immediately prior to the Temple event, also presented it as a community outreach event and not a fundraiser.³³⁰ Particularly compelling are the differences between the briefing materials given to the Vice President for the Temple event compared to the briefing materials given to him for a San Jose fundraiser later the same day. The briefing materials for the Temple event described it as a DNC Asian-Pacific American Leadership Council luncheon honoring Vice President Gore. Talking points prepared for the Temple event did not include any references to campaign contributions or any amounts being raised by the event, nor did they call for the Vice President to thank the participants for making a contribution.³³¹ Furthermore, the talking points prepared for the Hsi Lai Temple event were much longer than the boilerplate fundraising speech and covered many different issues, including ethnic diversity. In contrast, the briefing materials prepared for the San Jose fundraiser specified the amount of money to be raised at the event.³³²

This is the first San Jose-based event during the Clinton/Gore Administration, so most of the guests are new supporters of the DNC. San Jose Mayor Susan Hammer has been extremely helpful with this event as co-chair with George Marcus, the event host. Estimated attendance at the reception is 100-125 guests. This event is raising \$250,000 for the DNC. [Emphasis added.]³³³

That type of information was not included in the Temple briefing materials.

In addition, the event itself was conducted like a community outreach event and not as a fundraiser. No money was collected at the door, no campaign materials were present, and no one discussed contributions at the event. According to an audio tape of the event produced to this Committee,³³⁴ the Vice President never made a request for contributions during his speech nor did he thank the luncheon attendees for their support.³³⁵ He spoke instead about diversity in America.

Individuals who attended the Hsi Lai Temple luncheon on April 29, 1996, verified that the event did not appear to be a fundraiser. John Aloysius Farrell, a *Boston Globe* reporter, the Venerable Master Hsing Yun, and David Strauss attended the April 29, 1996, luncheon and provided consistent accounts that, based on the objective evidence at the event and the content of the Vice President's remarks, the Hsi Lai Temple event was not a fundraiser.

On September 4, 1997, Farrell provided significant confirmation that the Hsi Lai Temple event did not appear to be a fundraiser. Farrell accompanied the Vice President on the “marathon trip from Washington to California on April 29, 1996, and interviewed the vice president on Air Force II.”³³⁶ Farrell wrote:

... Gore’s own words and actions at the Buddhist temple, witnessed by a Globe reporter and described here for the first time, give credence to the Vice President’s assertion that while he knew there was a fund-raising component to the event, he viewed it more as a good-will visit with Asian-American leaders.

Although other party leaders warmed up the audience with political rhetoric, Gore’s remarks were non-partisan and restrained, markedly different from the biting one-liners he offered at another fund-raiser that evening in Northern California.

At the Hsi Lai Temple, Gore spoke in personal terms of his acquaintance with Hsing Yun, the venerable master and leader of the temple and its growing worldwide congregation, and of the U.S. tradition of tolerance for immigrant cultures. Gore made no explicit pitch for contributions.

...³³⁷

The Venerable Master Hsing Yun confirmed in his interview with Committee staff that fundraising was not discussed at the Hsi Lai Temple event. He stated, “In addition to Buddhists, there were also Catholic, Protestant, and Muslim friends at the event, also some people I didn’t know. We did not speak about the campaign or anything about politics or donations.”³³⁸

Strauss, who attended the event with the Vice President, explained to the Committee that the Vice President did not give a fundraising speech at the Hsi Lai Temple event. Strauss testified, “it was a very good speech, but it had nothing to do with fundraising.”³³⁹ Strauss described the Vice President’s speech to the Committee:

A: ... typically my role for this sort of event, what I would try to do is quickly size up the situation for the Vice President. I talked briefly to Congressman Matsui who had heard the Vice President a week or so beforehand give what I called his E Pluribus Unum speech, and after consulting with Congressman Matsui, I suggested that considering the nature of this group, where you had Asians, Hispanics, African Americans, that that would be an appropriate set of remarks for this particular event, and in that speech, he would refer to the richness of our diversity and what a strength it is in this country and draw the comparison with Bosnia, Rwanda, Burundi, Nagorno-Karavakh. I mean, he had this very moving speech about tolerance that he would make, and that those were the remarks that he made at this particular event.

Q: Did it include any request for money or any thank you for people having contributed?

A: It did not.³⁴⁰

Strauss also testified that the event did not appear to be a fundraiser. The typical elements of a fundraiser or a political event were not present at the Hsi Lai Temple on April 29, 1996: there were no ticket tables, no one collected or asked for contributions, there were no political campaign posters, there was no campaign literature, nobody tried to recruit volunteers for the campaign and nobody thanked attendees for making a financial contribution.³⁴¹ Strauss concluded that the Hsi Lai Temple event was not a fundraiser:

Q: Based on your experience and all the years that you have been doing this sort of thing and attending hundreds of fundraisers, did this appear to you to have the indicia of a fundraiser, this event?

A: I believe that I know what a fundraiser is, and this was not a fundraiser.³⁴²
[emphasis added]

Other attendees at the event confirm that it did not appear to be a fundraiser. Charlie Woo, mentioned earlier, told Committee investigators that there was “no mention of money at the event.”³⁴³ Mona Pasquil, DNC Western States political director and former director of Asian-Pacific affairs, testified that she saw no signs of fundraising, such as a table at the door, name tags, checks being exchanged, or solicitations for money.³⁴⁴ DNC Chairman Fowler described it as an “outreach event” similar to those he attended at churches in the 1960s; not everyone who attended also contributed, and there were none of the typical trappings of a fundraiser.³⁴⁵ DNC Chairman Donald Fowler testified, “[T]here were three people who made presentations there -- myself, the temple master, and the Vice President. None of the three of us made any reference to raising money, contributing money, giving money before or after.”³⁴⁶

Persons associated with the Temple who helped organize the event also indicated that they did not consider the event to be a fundraiser.³⁴⁷ Man-Ho, assistant to the Temple abbess, testified at the hearing that Temple personnel did not focus on fundraising during planning before the event.³⁴⁸ In her deposition, she said that the guests “were not required to pay a buck for [the] luncheon. . . .”³⁴⁹ She also told the Committee that she did not see anything at the event that would indicate that it was a fundraiser.³⁵⁰ The head of the Temple, Venerable Master Hsing Yun, provided a statement to the Committee with consistent information.³⁵¹

The evidence also indicates that no invitation associated with the event contained anything remotely resembling a solicitation.³⁵² Such solicitations are generally included in invitations to DNC fundraisers and range from a price stamped on the invitation to a card enclosed with different contribution levels.³⁵³ The absence of any solicitation or admission price on any invitation is further evidence that a contribution was neither required nor expected, and the purpose of the event was not to raise funds.

Further, most of the attendees did not contribute.³⁵⁴ For example, Ted Sioeng, his wife,

daughter and two other relatives were invited by Huang and attended the event without making any contribution.³⁵⁵ While DNC records attribute 42 contributions to the Temple event, 12 of which were from monastics who did not attend the event itself, and only another 15 or so were from attendees. That means of the 100 or so persons who attended the event, only about 15 contributed in connection with their attendance.³⁵⁶

The allegation has been made that the participation of John Huang and Maria Hsia in organizing the event should have told the Vice President that the event was a fundraiser, but both had previously been involved in arranging non-fundraising, political outreach events for the Asian-American community. For example, both helped organize a September 27, 1993, meeting with Asian-American leaders that was described in the Vice President's briefing papers as an Asian-American community outreach event.³⁵⁷ Moreover, Hsia had been involved in the organization of only one prior fundraiser for the Vice President but had organized his 1989 trip to Taiwan with the Pacific Leadership Council which had no fundraising aspects. And as indicated above, Huang had never given any indication to anyone on the Vice President's staff that any fundraising was involved in the Temple event.³⁵⁸

Strauss addressed this issue in his testimony to the Committee. He testified emphatically that he had no knowledge that the Vice President or anyone on the Vice President's staff knew anything about the post-event fundraising activities engaged in by Huang or Hsia.³⁵⁹ Strauss testified:

Q: Prior to the time that the newspaper articles appeared in the fall of 1996, did you have any reason to believe that anybody on the Vice President's staff had heard that there was any fundraising engaged in by Ms. Hsia, by virtue of a call from Huang?

A: I have no knowledge that anyone did know.

Q: Did you ever know anything about contributions having been collected or monies having been collected prior to the April 29th event at the Hsi Lai Temple? There has been testimony that a certain amount of money was generated in advance of the event.

A: I had no knowledge of that.

Q: Do you have any reason to believe that the Vice President knew anything relative to this event, either prior to the event or that after the event any monies had been collected?

A: I have no reason to believe that he knew anything about this.³⁶⁰

Ladan Manteghi, the scheduling staff person who put together the final details of the Vice President's April 29, 1996 schedule, confirmed that the information regarding Huang and Hsia's activities were a surprise to the Vice President's staff when they were first reported by the news

media. She explained in her deposition that the scheduling staff was “meticulous” and that they “scrutinized, really, everything” to make sure that “all the i’s were dotted, the t’s crossed.”³⁶¹ She testified:

A: So that’s where the element of surprise came in when all the accounts started coming out. It was, like, wait a minute, we really went through everything, and so how could this be? This seems really kind of off the wall. You know, from my perspective, that’s how it seemed.

Q: So there was never a time that you believed that this was going to be a fundraiser?

A: No. By the time I received it, this was not going to be a fundraiser.³⁶²

There are two types of evidence suggesting that the Temple event was a fundraiser. The first involves the fact that Huang did solicit contributions in connection with the event, as discussed below, but there is no evidence that the Vice President had any knowledge of those solicitations. The second involves several internal communications -- e-mails and memoranda between staff members for the Vice President -- that refer to the Temple event as a “fundraiser,”³⁶³ as discussed above. Relevant testimony included Tilley’s statements regarding the “sloppiness in the terms we were using, whether it was finance or fundraising,”³⁶⁴ and Strauss’s testimony that the character of an event would often change during the scheduling process, making it difficult to ensure that the proper term was used.³⁶⁵ In addition, Tilley testified that the Vice President’s scheduling office usually referred to an event from the DNC Finance Department as a fundraiser, even though it may not have been a fundraiser.³⁶⁶

From the perspective of Vice President Gore, the Vice President’s office, and the DNC, the Hsi Lai Temple event was not a fundraiser. There is no evidence before the Committee that Vice President Gore knew that contributions were solicited or received in relation to the Temple event. The information received by the Vice President regarding the event described it as an opportunity for the Vice President to meet with members of the local Asian-American community. John Huang assured DNC Finance Director Richard Sullivan that the event was not a fundraiser, but instead would involve community outreach. Moreover, the event had none of the trappings of a fundraiser.

John Huang and the Temple Event

Although the Temple event was not a fundraiser and Huang had represented that to Richard Sullivan, DNC finance director, when specifically asked, Huang did use it as an opportunity to obtain contributions to the DNC. Huang attributed \$159,000 in DNC contributions to this event. Many of these contributions were from monastics at the Temple and were subsequently and possibly illegally reimbursed by the Temple. (See Chapter 21 of the Minority Report.)³⁶⁷

As mentioned above, Sullivan testified that, while he was not involved in the day-to-day planning of this event, he ensured that Huang knew that he could not hold a fundraising event at a Temple, and Huang confirmed to him that he was aware of this restriction.³⁶⁸ Sullivan further testified that he facilitated a conference call between himself, Huang and David Strauss, Deputy Chief of Staff to the Vice President, to reassure Strauss that the event was not a fundraiser.³⁶⁹

It appears, however, that when the original fundraiser tentatively planned for the Harbour Village restaurant was canceled, Huang invited the guests for that event to the “community outreach” event at the Temple. Huang then apparently used the Temple event to solicit contributions despite his contrary representations to the DNC.

Man-Ho, the assistant to the abbess at the Temple, testified that at a particular meeting of monastics, the abbess told monastics that it would be all right for them to ask devotees to contribute \$5,000 to come to the luncheon and have their picture taken with the Vice President. Man-Ho testified that she did not know whose idea this was, though it appears that, from other evidence, this likely was the result of direction from Maria Hsia or John Huang.³⁷⁰

On April 28, 1996, the day before the event, at the third of three meetings between Man-Ho and Huang,³⁷¹ Man-Ho handed Huang a list of names and amounts contributed prior to the event.³⁷² Despite Huang’s representations to Sullivan and Strauss, Huang told Man-Ho that any other devotees who would like to attend the event could do so for \$2,500, as opposed to the \$5,000 that had been requested until then.³⁷³

Prior to the April 29 event, checks written out to the DNC were collected totaling \$45,000.³⁷⁴ In addition, some who contributed before the event also had their pictures taken with the Vice President.³⁷⁵

Man-Ho testified that on April 30, the day after the Temple event, Maria Hsia called her to say that “John Huang hoped that the Temple could contribute more money,”³⁷⁶ since only \$45,000 of an anticipated \$100,000 had been collected. The ensuing facts of how the monastics contributed additional amounts to help Huang reach this goal are covered in Chapter 21 of the Minority Report. Man-Ho testified that she believed that the money the monastics collected was given to Huang later that day.³⁷⁷

While there is no evidence that Huang spoke directly with anyone at the Temple regarding a request for additional contributions, it is clear that Hsia communicated Huang’s fundraising appeal. She also assisted the monastics, for a fee, with many immigration matters and advised them on other legal matters. Yi Chu testified that the Temple monastics had been responding to fundraising requests by Hsia since 1993. Though the amount requested was larger than previous requests, it was viewed, once again, as helping Hsia, and the Temple complied. Huang and Hsia had known each other for a long time,³⁷⁸ and it is likely that Huang would have known about Hsia’s relationship with individuals associated with the Temple.³⁷⁹ There is insufficient evidence, however, to determine whether Huang knew that the Temple planned to reimburse its monastics’

contributions to the DNC.

John H. K. Lee and the Cheong Am America Contribution

Huang's involvement in obtaining a \$250,000 contribution from Cheong Am America in the spring of 1996 is disturbing for a number of reasons. This incident not only involves a campaign contribution later discovered to have been paid for with foreign funds at the direction of a Korean national, it also demonstrates Huang's apparent willingness to disregard established DNC procedures for evaluating contributions.

Cheong Am America, Inc. was a joint venture between two South Korean firms that were considering constructing a large-screen television manufacturing plant in Carson, California. The two firms were the Cheong Am Group and Ateck Company. The Cheong Am Group was headed by Korean businessman John H. K. Lee, the moving force behind the joint venture. Lee was later revealed to be a convicted criminal and was subsequently indicted in Seoul in connection with this matter.³⁸⁰ Ateck, a \$50 million company with a history of successful manufacture of large-screen televisions, was headed by Korean businessman Young Chull Chung, whom Lee was pressing to finance the U.S. plant.³⁸¹ Their joint venture, Cheong Am America, was established in February 1996 as a U.S. subsidiary of the Cheong Am Group.³⁸² If the large-screen television manufacturing plant had been built, it apparently would have been the first of its kind outside of Asia.³⁸³

In the spring of 1996, Lee contacted Carson mayor Michael Mitoma and told him that before a final decision could be made on building the plant in Carson, Lee and his associates would like to meet with President Clinton.³⁸⁴ Lee had been advised to contact Mitoma by Lucy Ham, a Choeng Am America officer and friend of Mitoma.³⁸⁵ In testimony before the Committee, Mitoma said that he agreed to try to arrange a meeting for Lee by telephoning Doris Matsui, Deputy Director of the White House Office of Public Liaison in charge of Asian American issues. When Matsui failed to return his telephone messages,³⁸⁶ Mitoma called the DNC at the suggestion of Ham, who was aware that an Asian American was organizing fundraising events with the President.³⁸⁷ The person Mitoma talked to at the DNC was Huang.

Mitoma and Huang apparently had several discussions about a possible meeting between Cheong Am America associates and the President, including Lee's preference for a 30-minute private meeting in Washington or Korea.³⁸⁸ Mitoma told the Committee that the final arrangement reached was that Lee, Chung, Lucy and Won Ham, and Mitoma would attend a small fundraising dinner with the President on April 8, 1996, at the Sheraton Carlton Hotel in Washington. In exchange, Cheong Am America would make a contribution to the DNC covering five dinner tickets at \$50,000 apiece, for a total of \$250,000.³⁸⁹ Although Cheong Am America did in fact purchase five tickets to the dinner, what actually took place was a five to ten minute meeting in a hotel reception room.³⁹⁰

Documents show that on April 8 -- the day of the dinner -- Huang faxed DNC finance

director Sullivan a two-page handwritten document, “per our conversation,” stating that Cheong Am America was looking for “a large U.S. broadcasting company” for a joint venture to manufacture and market large-screen televisions, with the plant to be built in Carson. The document listed five meeting “participants,” identified Lee as chairman of the Cheong Am Group in Korea, and inaccurately identified Chung as head of a Cheong Am Group “division.”³⁹¹ In response to the fax, Sullivan sent a memorandum -- also dated April 8 -- to Doug Sosnick and Karen Hancox of the White House Office of Political Affairs stating that the Carson mayor wanted “five minutes” with the President that evening “before our first dinner” to discuss the proposed plant in Carson.³⁹² Neither document indicated that the Cheong Am representatives would be attending the dinner itself.³⁹³

Mitoma told the Committee that in a phone call on the day of the dinner, Huang had hinted that it might only be possible for Lee to have a private meeting with the President and not attend the dinner.³⁹⁴ Mitoma testified that he was upset by this conversation in light of the large sum of money Lee was paying for an opportunity to dine with the President. He testified that, in addition, Lee was flying into Washington from Korea for the sole purpose of attending the dinner and bringing the check with him from Korea.³⁹⁵

Mitoma told the Committee that when his party arrived at the Sheraton Carlton Hotel, they waited for about an hour in the hotel lobby before being met by Huang.³⁹⁶ They were then ushered into a “side room.”³⁹⁷ According to Mitoma, he handed Huang the \$250,000 check while they were in the lobby, prior to being taken to the side room.³⁹⁸ Mitoma testified that the President arrived in the side room and a brief meeting followed. Mitoma indicated that he told the President that Lee was interested in opening a manufacturing plant that would create much-needed jobs in Carson, and that the President said that was a “very good idea” and he hoped it would happen.³⁹⁹ Mitoma testified that Lee and the others then had their pictures taken with the President.⁴⁰⁰

While Mitoma’s testimony makes clear that neither he, Lee, nor Chung advocated any substantive policy change nor requested special treatment during or after the meeting,⁴⁰¹ the evidence before the Committee indicates that Cheong Am America’s \$250,000 contribution was made for the sole purpose of obtaining access to the President. The evidence also demonstrates that Huang was an apparently willing and uncritical participant in an apparent sale of access.

The evidence also indicates that Huang apparently failed to meet his core responsibility of carefully evaluating the \$250,000 contribution to ensure that the DNC could properly accept it. A 1995 DNC memorandum, authored by DNC General Counsel Sandler, required all contributions from U.S. subsidiaries of foreign corporations to be thoroughly reviewed by the DNC general counsel’s office before acceptance.⁴⁰² The memorandum identified four requirements for accepting such contributions: (1) the subsidiary must be incorporated and have its principal place of business in the U.S.; (2) the subsidiary must have sufficient funds from its own U.S. operations to support the contribution; (3) the subsidiary cannot be reimbursed by the foreign owners or parent corporation for its contribution; and (4) the decision to contribute must

be made by U.S. citizens or permanent residents and not by foreign nationals.⁴⁰³ The last paragraph of the memorandum stated the following:

Each situation must be examined on a case-by-case basis before any decision to accept a contribution can be made. As we discussed, the procedure should be that you or your staff discuss the situation with Neil or myself, that DNC counsel review the above requirements with counsel or another official of the company, and that either the company confirm to us in writing that the requirements have been met or that we issue a letter to the company setting out their factual representations to us showing that these requirements have been met and confirming that on the basis of those representations the contribution is lawful.⁴⁰⁴ [Emphasis in original.]

The evidence indicates that Huang, due to his DNC training, knew or should have known of these DNC procedures and legal requirements.⁴⁰⁵ Mitoma testified that at one point -- it is unclear whether it was before or after he had delivered the check -- Huang asked him whether Cheong Am was incorporated in the United States and whether the contribution would be drawn on a bank account belonging to the U.S. corporation. Mitoma stated he responded in the affirmative after checking with Lucy Ham at Cheong Am America.⁴⁰⁶ He testified that Huang never asked him whether any foreign national, such as Lee or Chung, was involved in the contribution decision, or whether the company was using U.S.-generated income to pay for the \$250,000.⁴⁰⁷

According to DNC Finance Director Sullivan, when Huang gave him the \$250,000 check in April 1996, he told Huang that he had expected personal contributions from Ham and her husband (who were U.S. citizens), and expressed concern about the eligibility of Cheong Am America to contribute. Sullivan testified that Huang told him that he held onto the check for two days, and Sullivan assumed, based on his conversation with Huang, that he had run the check by the general counsel's office. He said:

I remember looking at it with him and saying, are you okay with this and have you vetted this with Sandler, and he responded, yes.⁴⁰⁸

Sandler testified, however, that Huang had not discussed the Cheong Am contribution with him prior to September 1996, when the DNC received information that there might be a problem with the contribution.⁴⁰⁹

A memorandum dated September 20, 1996, attended by Sandler and Jake Siewert, states that after learning on September 19th that there might be a problem with the contribution, the DNC immediately investigated, uncovered significant questions, and returned the funds the same day, seven weeks before the election.⁴¹⁰ The memorandum states:

The DNC's fundraiser [Huang] understood that the company had been in existence

in the U.S. for some months. He also was led to believe that all three of the company's principals. . . were U.S. citizens or permanent residents. . . . We learned yesterday. . . the company had no operations in the U.S. at the time the contribution was made. . . [and] one of the three principals, its chairman, John Lee, was not a U.S. citizen. The DNC's fundraiser had been led to believe that Mr. Lee was a permanent resident because he has a social security number, and had resided in Los Angeles for some time; there may have been some confusion because his son is a permanent resident. The other two principals are in fact U.S. citizens and it is our fundraiser's firm understanding that these two made the decision to contribute. However, the involvement -- and presence at the fundraiser -- of Mr. Lee, raises sufficient additional questions. . . that we would not have accepted the contribution had we known Mr. Lee was not a permanent resident.⁴¹¹

The memorandum admits, "In this case, the [DNC's] normal vetting process broke down."⁴¹² Sandler also testified at his deposition that when he asked Huang about the contribution in September, Huang admitted that he "had made a mistake."⁴¹³

The evidence is clear that, with respect to the Cheong Am America contribution, Huang apparently failed to follow the DNC's procedures for evaluating contributions from U.S. subsidiaries of foreign corporations. He did not ask all of the required questions of the company and apparently failed to consult the DNC general counsel's office. When asked by Sullivan in April if he had spoken with the general counsel's office, Huang apparently indicated that he had, even though the general counsel has testified that the first time he was contacted about the contribution was in September. While the evidence does not establish that Huang knew that foreign nationals had participated in the contribution decision and used foreign funds to pay for the contribution, the evidence does show that Huang knew that Lee had flown in from Korea for the dinner and had originally wanted to meet with the President in Korea. Given these facts, Huang should have exercised greater care in determining whether Lee was a foreign national, whether Chung, his Korean partner, had participated in the contribution decision, and whether funds from Korea had been used for the contribution.

DNC officials should have exercised more careful oversight over Huang's fundraising. However, once the DNC became aware of questions about the Cheong Am contribution, it initiated a prompt investigation, Huang admitted his missteps to Sandler, and the DNC immediately returned the funds.

June 18, 1996, DNC Coffee at the White House

Another event Huang helped organize was a DNC coffee held at the White House on June 18, 1996. This was the only coffee Huang attended.⁴¹⁴ Thai businesswoman Pauline Kanchanalak also attended with several of her business associates who were foreign nationals and nonresidents and, therefore, ineligible to contribute to the DNC. Kanchanalak was known at the DNC as a

significant contributor.⁴¹⁵ The Committee investigated whether Huang sold access to the President through this coffee or whether he made a solicitation at the coffee. The Committee did not receive testimony from Huang, or from Kanchanalak, who reportedly has left the country.

Also present at the coffee were Clarke Wallace, executive director of the U.S.-Thailand Business Council, which promotes trade and investment between Thailand and the United States; Beth Dozoretz, a volunteer fundraiser for the DNC, and her guests, Renee and Robert Belfer; the DNC's Donald Fowler and Marvin Rosen; and Bob Nash, Director of Presidential Personnel.

Kanchanalak was a well-established supporter of the DNC prior to the 1996 election cycle.⁴¹⁶ Sullivan testified that she had been giving to the DNC since at least 1991.⁴¹⁷ She was active in Asian-American political circles, and as an existing DNC Trustee, had attended the inaugural Asian Pacific American Leadership Council dinner with Vice President Gore on November 2, 1995.⁴¹⁸ Huang was put in charge of Kanchanalak's "account."⁴¹⁹

In late spring 1996, Kanchanalak expressed her desire "to come and bring a couple of people to [a] coffee."⁴²⁰ Sullivan testified that he initially opposed Kanchanalak's list of proposed coffee attendees because they did not serve the purpose of cultivating new contributors and appeared to be designed as an opportunity for Kanchanalak to impress her business clients.⁴²¹ Thus, unlike the many other DNC events at the White House in which both established and prospective Democratic supporters were invited, the June 18, 1996 coffee did not involve an opportunity for the President to interact with a variety of party supporters but rather appeared to be a favor for Kanchanalak. However, John Huang was insistent that her Thai guests must be allowed to attend,⁴²² and Sullivan and Rosen acceded.

Sullivan testified that it was his sense that Kanchanalak wanted to attend this coffee to impress her clients from the CP Group, a large Thai conglomerate, and that the DNC included Kanchanalak and her guests as a favor to her.⁴²³ FEC records also indicate that "P. Kanchanalak" gave contributions of \$85,000 on June 19, 1996, and \$50,000 on July 10, 1997, and Pauline Kanchanalak's sister-in-law, Duagnet (Georgie) Kronenberg, gave \$50,000 on June 19, 1996. Two contributions from attendees to this event were attributed to this coffee. For internal tracking purposes, the DNC assigns "codes" to contributions associated with particular events. Because coffees were not considered "fundraisers," they did not normally have contributions credited to them.⁴²⁴

While both the DNC and the White House both approved the list of prospective attendees, this is the very system which is to blame for the fact that this coffee occurred at all. For instance, the knowledge that a donor was "insisting" on bringing her business associates to a DNC coffee with the President should have raised a warning flag for Sullivan, who had earlier expressed concerns about Huang's fundraising.

The second allegation is of a possible solicitation at the coffee. Karl Jackson, a Republican, was President of the U.S.-Thailand Business Council with which Kanchanalak was

also involved.⁴²⁵ Jackson testified that he was invited to the coffee a day before it was held and was told that representatives of the council, including the chairman, would be there.⁴²⁶ Jackson said he understood this to be a policy meeting with the President and was surprised when he heard "DNC" mentioned as he arrived at the White House for the coffee.⁴²⁷ Jackson alleged that at the beginning of the coffee, Huang stood up and said "Elections cost money, lots and lots of money, and I am sure that every person in this room will want to support the re-election of President Clinton."⁴²⁸ Jackson was contradicted by other attendees.⁴²⁹

The Committee heard public testimony from three of the nine attendees at this coffee: Jackson, Wallace, and Dozoretz. Committee staff also deposed Wallace, Dozoretz, and Robert Belfer, but not Jackson. Much of this testimony focused on Jackson's allegation.

Wallace testified that he did not consider the coffee to be a fundraiser. He said "what it appeared to be was a relationship-building type event with major donors."⁴³⁰ Wallace recalled that the President introduced Huang to the group at the end of the coffee, not at the beginning as Jackson recounted.⁴³¹ Wallace testified that at that time:

John Huang spoke and he said [to] the President, "Thank you very much for being here, Mr. President," and I think speaking more to the table, he said, "as you know," he said, "this President is the right man to lead [the] country into the 21st century, into the next millennium and I think we have one small hurdle" or something like that, "which is the elections in November and I'm sure you will do everything you can to support that, support the -- everyone at this table will do what they can to support the President."⁴³²

Wallace has no independent recollection of Huang making any statement about "elections being expensive," although he does not contest that this may have been said.⁴³³ Wallace testified in his deposition that he did not understand Huang to be suggesting to the coffee attendees that they themselves should contribute. Rather, Wallace testified that he interpreted Huang's remarks as follows: "Helping to either . . . raise money or help to strengthen the DNC somehow either through networking to get people to support the President or . . . networking to get people to give donations."⁴³⁴

Dozoretz has been a volunteer DNC fundraiser since 1992 and is familiar with fundraising events and how they are organized and carried out.⁴³⁵ She testified that she has never been told that if she raised a certain amount of money she would be given access to the President; indeed, she said she was always told that access to the President was not dependent upon the quantity of contributions given.⁴³⁶ Prior to press accounts, Dozoretz does not recall anyone at the DNC referring to the coffees as fundraisers.⁴³⁷

Dozoretz who unlike Jackson, sat right next to Huang at the coffee, testified that Huang did not solicit the coffee guests.⁴³⁸ She said that she would have remembered if Huang had solicited the coffee attendees because "he would have been soliciting people that I brought to the

coffee. He would have been soliciting me, and I certainly would have remembered it, and I certainly would have left there having a clear understanding that he worked for the DNC.”⁴³⁹ In fact, she initially thought Huang was a member of Kanchanalak’s group.⁴⁴⁰

Dozoretz’s guest at the coffee, Robert Belfer, likewise testified he never formed the impression that he was attending a fundraiser. In his deposition, Belfer testified: “Nothing occurred in that room to lead me to understand that I was asked or expected to give money as a result of that coffee. . . . I was not asked at the coffee, nor did I hear anybody else being asked at the coffee to give money.”⁴⁴¹ Belfer also had no recollection of Huang making any remarks during the coffee. In his deposition, Belfer testified that he, too, assumed that Huang was a member of Kanchanalak’s Thai delegation, and he would have “clearly had an understanding that [Huang] was somehow not a part of this delegation if he got up and gave a fundraising pitch to the people there.”⁴⁴²

Jackson is the only coffee attendee who recalls Huang making a solicitation for money. Jackson’s own testimony reveals that even his version of what Huang purportedly stated was not an express solicitation. Others who attended the coffee do not support even this version of Jackson’s testimony; even Jackson’s subordinate at the U.S. Thailand Business Council, Clarke Wallace, does not support Jackson’s recollection. It is noteworthy that over 1,000 people attended numerous coffees over two years and that Jackson, a longtime Republican, is the only attendee who claimed that there was a solicitation at a coffee.

The Pendleton Act prohibits solicitations for political contributions on federal property. Under the Pendleton Act, such solicitations are prohibited only in certain areas of the White House. This coffee occurred in the Map Room,⁴⁴³ which has been expressly excluded from the prohibition on solicitations on federal property. While the alleged solicitation, even if it had occurred, might not have been illegal, it would have been improper. The preponderance of evidence before the Committee, however indicates a solicitation did not, in fact occur.⁴⁴⁴

Rawlein Soberano

Rawlein Soberano, is an independent consultant and also co-founder and vice president of the Virginia-based Asian American Business Roundtable (“AABR”). The AABR is a small organization that helps promote Section 8(a) contracts between its members (small, disadvantaged companies) and the federal government.⁴⁴⁵ Soberano testified before the Committee that he met with Huang for lunch in early August 1996 to discuss potential sponsors for the annual AABR dinner banquet.⁴⁴⁶ Soberano alleged that when the conversation turned to a discussion of the AABR’s small operating budget, Huang offered to provide the organization with \$300,000.⁴⁴⁷ He described the offer in the following terms:

And I told him about the organization. I remembered that it was during the discussion about the budget when he mentioned -- and I remember this as if it was yesterday. He said, “Perhaps we can help you out,” and that’s when I looked at

him and said “How?” and he said categorically and plainly, “We can give you \$300,000 and you can give it back to us later, and you can give 15 percent for the organization,” but that is when I told him, “John, this conversation never took place.”⁴⁴⁸

As a result of this alleged conversation, Soberano inferred that Huang was offering to provide the AABR with money that he thought may come from the DNC. Soberano testified, however, that Huang never identified either the source of the money that could be provided to the AABR or to where the money would be repaid by the AABR.⁴⁴⁹ In both his deposition testimony and his hearing testimony, Soberano also confirmed that Huang never used the word “DNC” during their conversation.⁴⁵⁰ Soberano also testified that he did not ask Huang any follow-up questions, nor did the two have any other discussion at all about this except for the alleged statements recounted above.⁴⁵¹

The Committee was presented with no evidence to support Soberano’s allegations. Soberano’s calendar, which was produced to the Committee, shows no appointment with Huang on the date in question. Soberano admitted that he did not make reservations for his lunch with Huang⁴⁵² and that he knew of no one who saw the two at the restaurant.⁴⁵³ Soberano also stated that following the incident, he did not tell his boss at the AABR or anyone else, including his wife, about his alleged conversation with Huang.⁴⁵⁴

Soberano’s understanding of his conversation with Huang is subject to question. Soberano’s allegation is based on his understanding of a brief comment by Huang, a man with whom he had never before had a one-on-one conversation.⁴⁵⁵ Soberano is a registered Republican and former political appointee of the Bush Administration.⁴⁵⁶ Soberano did not come forward with this story until six months after this alleged event. His supervisor, a Republican activist, set up a meeting with a Washington Post reporter without Soberano’s approval to urge Soberano to levy this charge against Huang.⁴⁵⁷ In fact, Soberano testified that he had refused to meet with reporters for many weeks and only did so after his supervisor set up an appointment without conferring with him.⁴⁵⁸ In the Post story that resulted from this interview, his supervisor appeared on the front page although she had no involvement with or knowledge of the activities at issue.⁴⁵⁹ Based on this evidence, the possibility cannot be ignored that Soberano misunderstood his conversation with Huang and that he was encouraged to assume a fundraising violation based on much publicized media accounts of allegations against Huang.⁴⁶⁰

The DNC’s Supervision of Huang

Richard Sullivan, former DNC finance director, testified that as early as the Sheraton Carlton event in May 1996, he was concerned and “nervous” about the number of foreign nationals attending events organized by Huang.⁴⁶¹ Despite this concern, Sullivan stated that he did not closely monitor Huang’s fundraising in the months following this event because he believed Huang was reviewing questionable contributions with DNC general counsel Joseph Sandler.⁴⁶² However, the only time Sandler reviewed contributions with Huang was after Huang’s

first fundraising event in February. Despite his concerns, there is no evidence that Sullivan ever raised the issue directly with Sandler or ever talked to Sandler to see if there were, in fact, any problems with the contributors Huang was soliciting.

Following the Jefferson Hotel event, Sullivan became particularly concerned about small events organized by Huang with significant numbers of non-citizens in attendance.⁴⁶³ Although attendees at DNC events are often allowed to bring a guest, even if the guest is a noncitizen without permanent residence, Sullivan was worried about the impression created by an intimate DNC event with the President at which a large portion of the guests were unable to contribute because they were neither citizens nor permanent legal residents. Sullivan believed such events could invite unwanted press stories.⁴⁶⁴

Sullivan also felt that it was possible that Huang had set up the Jefferson Hotel dinner as a way to impress his former boss, James Riady, and the other guests with his ability to arrange an intimate dinner for them with the President.⁴⁶⁵ Sullivan, however, apparently took no steps to stop the dinner or to expand the number of attendees. Sullivan evidently was aware of the guest list because he testified that he had run the list by Karen Hancox at the White House for her approval.⁴⁶⁶ Sullivan also testified that after the event Marvin Rosen, the DNC finance chairman, mentioned to him that some of the attendees were nonresidents and, thus, ineligible to contribute.⁴⁶⁷

Although Huang had been hired to develop outreach efforts in the Asian Pacific American community, Rosen testified that he and Sullivan ultimately became concerned with Huang's failure to broaden the contributor base among this community. It appeared that Huang was inviting the same people to his events time and time again.⁴⁶⁸ Rosen stated that the DNC was looking for new sources of money, and he and Sullivan did not feel that Huang was producing such new sources.⁴⁶⁹ None of these concerns, however, led Rosen or Sullivan to scrutinize the contributors that Huang was bringing in, or to supervise him more carefully. Ultimately, the DNC did forbid Huang from arranging events at which the President would be in attendance.⁴⁷⁰

While the DNC may not have had evidence that Huang was involved in soliciting foreign contributions, it does appear that there were sufficient concerns about the nature of the events Huang was involved in to warrant better supervision of his activities by his DNC supervisors

CONCLUSION

John Huang has been a central figure of the Committee's investigation into the 1996 federal elections, and the Minority believes that this scrutiny was fully justified. Although he did not hold a senior position in either the Democratic National Committee or any other Democratic organization, he has been linked to a large number of questionable and possibly illegal contributions. It would be impossible to conduct a serious inquiry into party fundraising without taking a close look at such an individual as well as the environment in which he operated. Who is John Huang? How was he hired as a fundraiser? How was he trained? How did he carry out his

fundraising responsibilities? How well was he supervised and monitored by his superiors? The Committee examined all of those issues, and this chapter is an attempt to provide answers.

But John Huang was a subject of the Special Investigation not only because of alleged fundraising abuses. Since the fall of 1996, he has been accused -- directly or through insinuation - - of betraying his country, the United States, by acting as a spy for the People's Republic of China. The evidence gathered by this Committee does not support that allegation and, in some respects, seriously undermines it. The evidence shows that Huang did nothing to exploit his Commerce Department post to obtain classified information. Moreover, Huang stated, through his attorney, that he was willing to testify before the Committee with a limited grant of immunity that would not have protected him from prosecution for any form of espionage or mishandling of classified information.

Although the espionage allegations were not substantiated by the Committee's investigation, the Committee did find ample grounds for concern about the way Huang conducted himself when he was employed by the Democratic National Committee. No one at the DNC appears to have condoned Huang's improprieties, but the record shows that warning signs were ignored and that the DNC failed in its responsibility to ensure that Huang was complying with internal DNC policies and the federal campaign finance laws.

1. John Huang SF-171 Application for Federal Employment, DOC 03AM0042.
2. John Huang SF-171 Application for Federal Employment, DOC 03AM0042.
3. John Huang SF-171 Application for Federal Employment, DOC 03AM0042.
4. John Huang SF-86 Application for Sensitive Position, DOC 03AM0047.
5. Los Angeles Times, 10/21/96; Washington Post, 5/13/97. Huang spent seven years at American Security Bank in Washington, starting as a trainee and working his way up to assistant vice president.
6. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).
7. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).
8. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).
9. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).
10. Newsweek, 10/21/96.
11. Time, 12/11/96.
12. Los Angeles Times, 11/17/96.
13. American Spectator, 12/96.
14. Los Angeles Times, 11/17/96.
15. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).
16. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).
17. John Huang Deposition, 10/30/96 in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).

18. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL): Huang SF-171, DOC 03AM0042.
19. Harvard Business School Profile of the Lippo Group, 1992, pp. 1- 3.
20. Harvard Business School Profile of the Lippo Group, 1992, pp. 1- 3.
21. Harvard Business School Profile of the Lippo Group, 1992, pp. 3, 7.
22. Harvard Business School Profile of the Lippo Group, 1992, p. 1.
23. Thomas Hampson, 7/15/97 Hrg., pp. 64-65.
24. Harvard Business School Profile of the Lippo Group, 1992, pp. 1-3.
25. Time Magazine, 5/5/97.
26. Thomas Hampson, a private investigator called to testify on the structure of the Lippo Group testified that China Resources is used by the Chinese government as “an agent of espionage, economic military and political.” However, Hampson introduced no evidence that the Lippo Group engaged in espionage, economic or otherwise, testifying that he had no information that would indicate there was any activity on the part of the Chinese Government through China Resources or through Lippo, in the United States. Thomas Hampson, 7/15/97 Hrg., pp. 71-73, 77-78. Hampson also testified that China Resources has a broader purpose, “to foster trade and to promote development to the mainland’s economy. Through business ties it has established, the group seeks out technology that the country needs and buys it.” Thomas Hampson, 7/15/97 Hrg., pp. 70-71.
27. Thomas Hampson, 7/15/97 Hrg., p. 56.
28. Thomas Hampson, 7/15/97 Hrg., pp. 80-81.
29. Fort Worth Star-Telegram, 10/31/96; Thomas Hampson, 7/15/97 Hrg., pp. 76-81.
30. Exhibit 105.
31. Harold Arthur, 7/15/97 Hrg., p. 98.
32. John Huang SF-86 Application for Sensitive Position, DOC 03AM0047.
33. John Huang SF-86 Application for Sensitive Position, DOC 03AM0047.
34. HHH 2378. Documents produced to the Committee by Hip Hing Holdings indicate that Huang was asked to join Committee of 100 in 1993. HHH 2378. His work with this organization continued through his work with this organization after he left Lippo for the Department of

Commerce. See 9/22/95 Committee of 100 directory identifying Huang as Director.

35. Hip Hing Holdings documents, HHH 3037-38, 4609, 4967-68.

36. Los Angeles Times, 10/21/96.

37. Los Angeles Times, 12/23/96.

38. Los Angeles Times, 12/23/96.

39. Washington Post, 10/18/96.

40. Washington Post, 5/13/97.

41. Los Angeles Times, 12/23/96.

42. John Huang Deposition, 10/30/96, in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).

43. Los Angeles Times, 12/23/96.

44. John Huang Deposition, 10/30/96 in Judicial Watch Inc. v. Dept. Commerce, CA. 95-0133 (RCL).

45. Los Angeles County, CA tax records of holdings of Hip Hing Holdings.

46. Juliana Utomo, 7/15/97 Hrg., p. 14.

47. Juliana Utomo, 7/15/97 Hrg., p. 53.

48. Exhibits 101, 104: Profit and Loss statements of Lippo Group Holding Companies, HHH 0233, HHH 0236-37, CHI 0085.

49. Exhibit 103.

50. See legal analysis in Part 1 Overview (Chapter 1), *supra*.

51. FEC public disclosure reports of contributions by Hip Hing Holdings, Toy Center Holdings and San Jose Holdings. See www.tray.com for contribution records.

52. Lippo Group holding companies requests for reimbursement of expenses from August to December 1993, HHH 0236-37.

53. Exhibit 105. During the July 15 hearing, Senator Thompson referred to an Advisory Opinion issued by the Federal Election Commission, the summary of which states that “in order for a contribution to be legal, a domestic subsidiary must make contributions out of net profits.”

Advisory Opinion 1992-16. While the Opinion holds it is proper for the particular domestic subsidiary seeking the Opinion to make contributions from its net profits, it does advise whether contributions from the net income of a domestic subsidiary operating at a loss are permissible. See legal analysis in Chapter 1, *supra*.

54. Thomas Hampson, 7/15/97 Hrg., pp. 82-83.

55. 1992 Riady contribution checks to state parties, HHH 1360, 1362-63.

56. 1992 Riady contribution checks to the Inaugural Committee, HHH 1361.

57. Check from Hip Hing Holdings to John Huang dated 2/3/94, HHH 5067.

58. Juliana Utomo, 7/15/97 Hrg., pp. 39-40.

59. Check from Hip Hing Holdings to John Huang dated 7/15/94, HHH 5184.

60. Harvard Business School Profile of the Lippo Group, 1992, p. B4.

61. The main issue in the cease and desist orders has been the quality of the loan assets and the balance of capital reserves relative to the loan portfolio, in part because of the poor performance of the bank prior to Lippo's purchase of it. See Harold Arthur's opening statement, pp. 12-14, 7/15/97 Hrg., p. 92. However, in 1990, the bank was found to have failed to file a number of reports of international wire transfers over \$10,000 in violation of the reporting provisions of the laws meant to combat money laundering. While the FDIC referred this action to other agencies, the evidence before the Committee does not indicate that any investigation of money laundering was ever initiated against the bank.

62. Harold Arthur, 7/15/97 Hrg., p. 145; Juliana Utomo, 7/15/97 Hrg., p. 58.

63. Assistant Secretary Charles Meissner was a victim of the 1996 plane crash in Croatia which also claimed the life of Commerce Secretary Ron Brown, among others.

64. EOP 002062-067.

65. Gary Christopherson deposition, 6/4/97, p. 140.

66. DOC document No. 03AK0461

67. Gary Christopherson deposition, 6/4/97, pp. 42-46.

68. Gary Christopherson deposition, 6/4/97, p. 47.

69. EOP 002068, 002071, 009452, 009454, 009487.

70. Gary Christopherson deposition, 6/4/97, p. 41.

71. Gary Christopherson deposition, 6/4/97, pp. 50-51, 53.
72. Gary Christopherson, 7/16/97 Hrg., p. 50.
73. Jeffrey Garten, 7/16/97 Hrg., p. 117.
74. Jeffrey Garten, 7/16/97 Hrg., p. 118.
75. Jeffrey Garten, 7/16/97 Hrg., p. 119.
76. Gary Christopherson, 7/16/97 Hrg., p. 23.
77. Gary Christopherson, 7/16/97 Hrg., p. 49.
78. Gary Christopherson deposition, 6/4/97, pp. 42-46.
79. Jeffrey Garten, 7/16/97 Hrg., pp. 120-21.
80. Jeffrey Garten, 7/16/97 Hrg., pp. 120.
81. David Rothkopf deposition, 6/2/97, p. 30.
82. Jeffrey Garten, 7/16/97 Hrg., p. 121.
83. Jeffrey Garten, 7/16/97 Hrg., p. 121.
84. DOC Documents 03BA1258 and 03BA0891.
85. DOC Document 03CC0269.
86. DOC document 03CC0269.
87. DOC Documents 03AB2372, 03BA2959, 03BA2974, 03BA1754 and 03BA1755.
88. The requests that Huang fielded from Senators and Representatives on behalf of their constituents included requests from Congresswoman Ileana Ros-Lehtinen, whose constituent, Dr. Donn J. Tilson, wanted a list of U.S. companies doing business in Ecuador, (DOC document 03BA2985); Senator Daniel Moynihan, who inquired on behalf of Louis R. Soto, who wanted licensing forms for the export of tires to South America, (DOC document 03BA2982); Congressman Bob Goodlatte, whose constituent Gregory W. Feldmann was seeking information on incentives available to companies interested in purchasing companies in Mexico (DOC document 03BA3053); Congressman John Tanner, who wanted information on crossing the border with equipment for missionary work and taking tour groups into Mexico for Dr. Ernest C. Gambrell, (DOC document 03BA3050); and Senator Trent Lott, who contacted Huang on behalf of Marcus Byrd seeking assistance removing squatters on his company's land holdings in Costa Rica. (DOC document 03BA2987). Additionally, Huang, Susan Blackman and Hong Phong-Pho

presented a briefing to Rep. Bennie Thompson regarding Vietnam. (DOC document 03AB0148).

89. Wall Street Journal, 7/14/97.

90. Jeffrey Garten deposition, 6/3/97, p. 82.

91. Jeffrey Garten, 7/16/97 Hrg., p. 137.

92. Jeffrey Garten, 7/16/97 Hrg., p. 122.

93. See generally David Rothkopf deposition, 5/22/97; Timothy Hauser deposition, 6/2/97; Alan Neuchatz deposition, 5/22/97.

94. Alan Neuchatz deposition, 5/22/97, p. 17.

95. DOC Document 03AB0172.

96. DOC Document 03AB0172.

97. DOC Document 03AB0172.

98. Senator Specter, 7/16/97 Hrg., pp. 156-157.

99. John Dickerson deposition, 5/30/97, p. 13.

100. Joseph Burns deposition, 5/3/97, pp. 100-101.

101. Joseph Burns deposition, 5/3/97, pp. 99-100.

102. Steven Garmon deposition, 5/23/97, p. 28.

103. Steven Garmon deposition, 5/23/97, pp. 33-34. In March 1997, pursuant to an executive order doing away with interim clearances and in response to a request by Secretary Daley, the Security Office changed its policy to require a request from a supervisor before any employee, career or political, be granted a temporary clearance.

104. In the course of the limited background check, an NCIC computer notation surfaced on John Huang. The NCIC form states that Huang was "arrested or received 8/17/72" and lists "Agency-USINS Baltimore," and "Charge - Dep Proc." When he received this information, the reviewing officer took it to his supervisor Al Buskirk. Buskirk testified that while he was unable to determine whether Huang had been arrested from the face of the NCIC form, his review of Huang's SF-171 and SF-86 revealed that Huang had married an American citizen on 8/6/72, several days before he entered the country. Based on his own understanding of the immigration process, Buskirk concluded that Huang was fingerprinted as a required step in the administrative citizenship process. Documents obtained from the INS support Buskirk's supposition and confirm that Huang appeared at the INS in Baltimore on August 17, 1972, where a Record of

Deportable Alien form was filled out noting his marriage. A fingerprint card in his file dated 9-5-72 indicates that the result of the FBI check was that he had never been arrested. On August 30, 1972, Huang applied for permanent resident status. No deportation proceedings were ever initiated against John Huang and he has never been arrested.

105. Steven Garmon deposition, 5/23/97, pp. 76-77. Huang's file contained the typical form letter from the Security Office noting that: "_____ is granted this waiver [of the OPM background investigation] due to the critical need for his expertise in the new Administration for Secretary Brown."

106. Steven Garmon deposition, 5/23/97.

107. Paul Buskirk, 7/16/97 Hrg., p. 29; staff interview with Lewis Williams, 6/12/97.

108. Questions have also been raised about Huang obtaining classified information from outside DOC during this period. In order for an individual with a clearance to receive classified information from an outside agency, the individual's clearance must be "passed" from the Security Office of the employing agency to the Security Office of the agency granting access to the information. Whenever a clearance is "passed" to another agency, a form is filled out authorizing the clearance being passed. No such forms exist indicating Huang's clearance was passed at any time.

109. Gordon Burns deposition, 5/23/97, pp. 101-102.

110. Robert Gallagher deposition, 5/30/97, p. 13.

111. Staff interview with Richard L. Johnston, Jr., 6/12/97.

112. Robert Gallagher deposition, 5/30/97, p. 13.

113. Robert Gallagher deposition, 5/30/97, p. 13.

114. Staff Interview with Lewis Williams, 6/12/97.

115. Staff Interview with Lewis Williams, 6/12/97.

116. Staff Interview with Lewis Williams, 6/12/97.

117. Staff Interview with Lewis Williams, 6/12/97.

118. Robert Gallagher deposition, 5/30/97, pp. 7, 15.

119. John Dickerson deposition, 5/5/97, pp. 6, 8.

120. Robert Gallagher deposition, 5/30/97, p. 7.

121. Robert Gallagher deposition, 5/30/97, p. 15.
122. John Dickerson deposition, 5/5/97, pp. 8-9.
123. John Dickerson deposition, 5/5/97, pp. 8-9.
124. Senator Glenn, 7/16/97 Hrg., p. 213.
125. Chairman Thompson, 7/17/97 Hrg., p. 4. In his opening statement, the Chairman referred to Huang's use of the Stephens office in the following terms: "He used the office of a private company for phone calls and faxes while he worked at Commerce, frequently corresponding to times when he had just received briefings on classified material."
126. Celia Mata deposition, 8/1/97, pp. 50, 68.
127. Paula Greene and Celia Mata, 7/17/97 Hrg, pp.24-25.
128. Paula Green and Celia Mata, 7/17/97 Hrg., pp.110-111.
129. Celia Mata deposition, 8/1/97, p. 71.
130. Celia Mata, 7/17/97 Hrg., pp. 29-30.
131. Celia Mata, 7/17/97 Hrg., p. 13.
132. Celia Mata, 7/17/97 Hrg., p. 13.
133. Celia Mata, 7/17/97 Hrg., pp. 11-13.
134. Celia Mata, 7/17/97 Hrg., p. 119.
135. Celia Mata, 7/17/97, Hrg., p. 21.
136. Celia Mata deposition, 8/1/97, p. 49.
137. Celia Mata deposition, 8/1/97, p. 54.
138. Celia Mata deposition, 8/1/97, p. 50.
139. Paula Greene deposition, 7/2/97, p. 42.
140. Paula Greene, 7/17/97 Hrg., p. 14.
141. Paula Greene deposition, 7/2/97, pp. 43-44.
142. Paula Greene, 7/17/97 Hrg., pp. 19-20; Paula Greene deposition, 7/2/97, p. 45.

143. Paula Greene, 7/17/97 Hrg., p. 54.
144. Paula Greene deposition, 7/2/97, p. 38.
145. Paula Greene deposition, 7/2/97, p. 38.
146. A Committee of 100 Directory lists Huang as a director as of September 22, 1995. Moreover, during his tenure at Commerce, Huang recieved phone calls from people associated with the Committte of 100. See DOC 03 AB0017, records of call received by Huang while at the Department of Commerce.
147. Paul Buskirk Deposition, 6/3/97, pp. 80-83.
148. Staff interview of Alan Neushatz, 3/13/97.
149. Alan Neushatz deposition, 5/22/97, pp. 17-18.
150. DOC Document 03AB0022.
151. DOC Document 03AB0022. "As a former Principal Deputy Assistant Secretary for IEP, Mr. John Huang will help the Assistant Secretary for International Economic Policy during the transition time of the Principal Deputy Assistant Secretary's position in IEP. . . . The time frame for Mr. Huang's consultations on transition will not-to-exceed 30 days."
152. Alan Neuschatz deposition, 5/22/97, p. 58.
153. Staff Interview with Helena Malinowski, 3/13/97.
154. Alan Neuschatz deposition, 5/22/97, p. 51.
155. Paul Buskirk deposition, 6/3/97, pp. 68-70, 80-83.
156. Paul Buskirk deposition, 6/3/97, p. 68.
157. Paul Buskirk deposition, 6/3/97, pp. 80-83.
158. Staff interview of Alan Neushatz, 3/13/97.
159. Staff interview of Alan Neushatz, 3/13/97.
160. Staff interview of Alan Neushatz, 3/13/97.
161. Alan Neuschatz deposition, 5/22/97, p. 60.
162. Alan Neuschatz deposition, 5/22/97, p. 55.

163. James Per Lee deposition, 5/2/97, pp. 93-102.
164. Los Angeles Times, 8/29/97.
165. Senator Durbin, 7/16/97 Hrg., pp. 222-227.
166. DNC 1276339-40.
167. DNC 1276339.
168. David Mercer deposition, 5/27/97, p. 14.
169. David Mercer deposition, 5/14/97, p. 230; David Mercer deposition, 5/27/97, pp. 17-18.
170. DNC Public Disclosure Records. See 1995 year end report.
171. DNC 1276339.
172. DNC 1276339.
173. David Mercer deposition, 5/27/97, p. 31.
174. David Mercer deposition, 5/27/97, p. 31.
175. David Mercer deposition, 5/27/97, p. 31.
176. David Mercer deposition, 5/27/97, pp. 31-32.
177. DNC 1277722.
178. DNC 1277722.
179. David Mercer deposition, 5/27/97, pp. 8-9.
180. David Mercer deposition, 5/27/97, p. 9.
181. Exhibit 170.
182. Exhibit 170.
183. David Mercer deposition Exhibit 38, 5/14/97.
184. David Mercer deposition, 5/14/97, p. 212.
185. DNC 1276337.
186. David Mercer deposition, 5/27/97, p. 33.

187. David Mercer deposition, 5/27/97, p. 33.
188. David Mercer deposition, 5/27/97, p. 33.
189. David Mercer deposition, 5/27/97, pp. 33-34.
190. Staff interview with Arief and Soraya Wiriadinata, 7/13/97.
191. Staff interview with Arief and Soraya Wiriadinata, 7/13/97.
192. Staff interview with Arief and Soraya Wiriadinata, 7/13/97.
193. Staff interview with Arief and Soraya Wiriadinata, 7/13/97.
194. Staff interview with Arief and Soraya Wiriadinata, 7/13/97.
195. Staff interview with Arief and Soraya Wiriadinata, 7/13/97.
196. Richard L. Sullivan deposition, 6/4/97, p. 208.
197. C. Joseph Giroir deposition, 4/30/97, pp. 75-76.
198. Richard L. Sullivan deposition, 6/4/97, pp. 210; C. Joseph Giroir deposition, 4/30/97, pp. 109-10.
199. Richard L. Sullivan deposition, 6/4/97, p. 219.
200. Richard L. Sullivan deposition, 6/4/97, pp. 210-219.
201. Donald L. Fowler deposition, 5/21/97, p. 170.
202. Donald L. Fowler deposition, 5/21/97, Exhibit 14: Fowler's schedule listing meeting at the Four Seasons with Giroir, Sullivan as contact, 9/13/95, DNC 3020731-3020732.
203. Richard L. Sullivan deposition, 6/4/97, p. 241.
204. Donald L. Fowler deposition, 5/21/97, p. 170.
205. C. Joseph Giroir deposition, 4/30/97, pp. 84-86; Nancy Hernreich deposition, 6/21/97, Exhibit 51: President's schedule, 9/13/95, EOP 02758-02760, the President's 9/13/95 schedule. Huang was not originally scheduled to meet with the President at this time. Upon arrival at the White House, Huang had to make special arrangements to be "waved" in for the visit. C. Joseph Giroir deposition, 4/30/97, pp. 86-87.
206. Bruce Lindsey deposition, 7/1/97, p. 106-114; C. Joseph Giroir deposition, 4/30/97, p. 87.

207. C. Joseph Giroir deposition, 4/30/97, p. 87.
208. C. Joseph Giroir deposition, 4/30/97, p. 97. Huang had indicated his interest in moving to the DNC to Giroir earlier in the year. C. Joseph Giroir deposition, 4/30/97, p. 75. The Clinton campaign had not done well with this group in the 1992 election and it was acknowledged that they should endeavor to do better in the 1996 election. Donald L. Fowler deposition, 5/21/97, p. 190-191.
209. Bruce Lindsey deposition, 7/1/97, p. 115-117.
210. Bruce Lindsey deposition, 7/1/97, pp. 117-118.
211. Bruce Lindsey deposition, 7/1/97, p. 124.
212. C. Joseph Giroir deposition, 4/30/97, pp. 101-104; Marvin S. Rosen deposition, 5/19/97, pp. 129-133. See also C. Joseph Giroir deposition, 4/30/97, Exhibit 7/Marvin S. Rosen deposition, 5/19/97, Exhibit 5: Letter from Giroir to Rosen referencing a meeting of the previous day, 9/27/97. Middleton was involved because he knew Rosen. Marvin S. Rosen deposition, 5/19/97, pp. 129-130.
213. C. Joseph Giroir deposition, 4/30/97, pp. 103-104.
214. Bill Kaneko deposition, 4/29/97, p. 119.
215. Harold Ickes deposition, 6/26/97, p. 115.
216. Marvin S. Rosen deposition, 5/19/97, pp. 138-139.
217. Rosen discussed Huang's hiring with Ickes, Middleton, Fowler, Sullivan and the President in a receiving line conversation in which the President requested the status of Huang's hiring. Sullivan received recommendations from Middleton (Richard L. Sullivan deposition, 6/4/97, pp. 216-217) and Arnold, but did not speak with anyone in the White House. Richard L. Sullivan deposition, 6/4/97, p. 249.
218. Richard L. Sullivan deposition, 6/4/97, p. 224-225.
219. Richard L. Sullivan deposition, 6/5/97, p. 12.
220. Richard L. Sullivan deposition, 6/5/97, pp. 12-14.
221. Donald L. Fowler deposition, 5/21/97, p. 171.
222. Richard L. Sullivan deposition, 6/4/97, p. 226.
223. Donald L. Fowler deposition, 5/21/97, p. 191.

224. Donald L. Fowler deposition, 5/21/97, pp. 190-191.
225. Marvin S. Rosen deposition, 5/19/97, pp. 148-150.
226. Joseph E. Sandler deposition, 5/30/97, pp. 93-96.
227. Huang's Department of Commerce salary was \$117,927. DOC document 03CC0226.
228. Richard L. Sullivan deposition, 6/4/97, p. 226.
229. Richard L. Sullivan deposition, 6/4/97, p. 231.
230. Joseph E. Sandler deposition, 5/15/97, p. 58.
231. Neil Paul Reiff deposition, 6/20/97, pp. 55-58.
232. Richard L. Sullivan, 7/9/97 Hrg., pp. 44-46; Richard L. Sullivan deposition, 6/4/97, pp. 226-230.
233. Samuel Newman deposition, 7/17/97, pp. 142-143; Joseph E. Sandler, 9/10/97 Hrg., p. 13.
234. Sullivan testified that he told Sandler of this desire for special attention for Huang. He further testified that Sandler said that he would ensure that Huang received such a briefing and that Sandler later told him that they did, indeed, have such a session shortly after Huang's arrival. Richard L. Sullivan, 7/9/97 Hrg., pp. 142-144; Richard L. Sullivan deposition, 6/5/97, pp. 23-25. Sandler testified that he did not recall such a request from Sullivan. Joseph E. Sandler, 9/10/97 Hrg., pp. 12-14; Joseph E. Sandler deposition, 8/21/97, pp. 13-15.
235. Joseph E. Sandler deposition, 5/30/97, pp. 100-101.
236. Marvin Rosen deposition, 5/19/97, pp. 263-265.
237. Neil Paul Reiff deposition, 6/20/97, Exhibit 9: Updated Legal Guidelines for Fundraising memorandum for Finance Staff from Joe Sandler and Neil Reiff, 4/24/95, DNC 1485662-145675 at DNC 145665.
238. Joseph E. Sandler deposition, 5/30/97, pp. 100-102.
239. Joseph E. Sandler deposition, 8/21/97, p. 17. Sandler testified that he communicated this level of comfort to either Sullivan or Pastrick.
240. Memorandum from Richard Sullivan for Chairman Fowler re: Asian American events, 10/21/96, D 0000967.
241. Richard L. Sullivan deposition, 6/5/97, p. 86.

242. Briefing for the President for Asian Pacific American Leadership Council dinner at the Hay Adams Hotel in Washington, D.C., 2/19/96, DNC 0624297-308; briefing for the Vice President for Asian Pacific American Leadership Council breakfast at the Hay Adams Hotel in Washington, D.C., 2/20/96, DNC 1208377-388.
243. Simeona Fortunata Pasquil deposition, 7/30/97, pp. 17-18.
244. Briefing for the President for Asian Pacific American Leadership Council dinner at the Hay Adams Hotel in Washington, D.C., 2/19/96, DNC 0624297-308; briefing for the Vice President for Asian Pacific American Leadership Council breakfast at the Hay Adams Hotel in Washington, D.C., 2/20/96, DNC 1208377-388.
245. Democratic National Committee Asian Pacific American Leadership Council Summit Participant List, DNC documents B 0001094-1099.
246. Donald L. Fowler deposition, 5/21/97, p. 273.
247. DNC Finance Systems Source Detail Report, Asian Diner, 2/19/96, DNC documents D 0000968-0000973.
248. Democratic National Committee Asian Pacific American Leadership Council Donor Participant List, DNC 1208901-902.
249. Joseph E. Sandler deposition, 8/21/97, pp. 21-25; Sandler deposition Exhibits # 23-27, 8/21/97.
250. Staff Interview with Jessica Elnitiarta, 6/19/97.
251. DNC Finance System Source Detail Report, POTUS Asian Dinner, DNC documents D 0000978-980.
252. DNC Finance System Source Detail Report, POTUS Asian Dinner, DNC documents D 0000978-980.
253. DNC check tracking form for Yogesh Gandhi \$325,000 contribution to the DNC, 5/28/96, DNC 0829404.
254. DNC Press Release, "DNC Refunds Contributions," 6/27/97.
255. DNC Contributions Returned Since September, 1996 (as of 11/22/96), DNC D 0000637.
256. See DNC Press Release, "DNC Refunds Contributions," 6/27/97.
257. See DNC Contributions Returned Since September, 1996 (as of 11/22/96), DNC D 0000637; DNC Finance System Source Detail Report, POTUS Asian Dinner, DNC documents D 0000978-980; DNC Press Release, "DNC Refunds Contributions," 6/27/97.

258. Briefing for the President for DNC Asian Pacific American Leadership Council event at Century Plaza Hotel, Century City, California, 7/22/97, DNC documents C 0000233-235.
259. Los Angeles Times, 12/21/97.
260. Man Ho deposition, 8/6/97, pp. 202-204.
261. DNC Press Release, "DNC Refunds Contributions," 6/27/97.
262. DNC Press Release, "DNC Refunds Contributions," 6/27/97.
263. DNC Finance Systems Source Detail Report, L.A. Gala, DNC documents D 0000981-996.
264. Richard L. Sullivan deposition, 6/5/97, pp. 59-61, 66-67.
265. USA Today, 2/19/97.
266. See discussion of Riady and the Lippo Group, *supra*.
267. POTUS Dinner July 30 Attendees for an event at the Jefferson Hotel, Washington, D.C., DNC documents D 0000597-598.
268. DNC Finance Systems Source Detail Report, POTUS Asian D.C. Dinner, DNC document D 0000997. DNC National Chairman Donald Fowler testified that the DNC occasionally requests that donors write their checks to state Democratic parties who need the financial help, sometimes in lieu of a contribution to the DNC or in lieu of the DNC making a donation. Donald L. Fowler deposition, 5/21/97, pp. 352-356.
269. DNC Finance Systems Source Detail Report, POTUS Asian D.C. Dinner, DNC document D 0000997. See Washington Post, 5/13/97.
270. DNC Finance Systems Source Detail Report, POTUS Asian D.C. Dinner, DNC document D 0000997.
271. Richard L. Sullivan deposition, 6/5/97, p. 70.
272. White House Tape # 8.
273. Richard L. Sullivan deposition, 6/5/97, p. 71.
274. For more information, see Chapter 21 of the Minority Report.
275. For more information on why the DNC considers both types of events to be important during a campaign, see Chapter 25 of the Minority Report.
276. DNC documents # D 0000974-977.

277. Kimberly Tilley deposition, 6/23/97, p. 22-23.

278. Kimberly Tilley deposition, 6/23/97, p. 54.

279. Kimberly Tilley deposition, 6/23/97, p. 47.

280. Kimberly Tilley deposition, 6/23/97, p. 47.

281. For example, the April 29, 1996 schedule for the Vice President included a speech at the National Cable Television Association conference, a meeting with African American community leaders, an event at the Hsi Lai Temple, a community policing event in San Jose and a fundraiser in Los Altos Hills, California. Committee Exhibit 774, EOP 007195 to 7204.

282. Memorandum that included a request for the President and Vice President to attend a certain number of DNC fundraisers in various cities, 1/2/96, SCGA-00270 to 291.

283. Memorandum, 1/2/96, SCGA-00270 to 291, SCGA-00286.

284. The early stages of trip planning were illustrated in a February 22, 1996, e-mail message to Tilley from Karen Hancox. Hancox wrote:

The DNC has asked, once we know, to be told what cities the VP will be in CA March 8/9. They can probably use him, depending on the cities.

thanks

PS -- POTUS is going to do SF when he is in CA March 8/9 - ergo - the DNC is dropping its SF request for the VP in April - they just need L.A. and San Jose in April.

Exhibit 767, EOP 047939.

285. Exhibit 1004: E-mail message from Lisa Berg to Kimberly Tilley, 3/12/96, EOP 053290.

286. Jacqueline Dycke deposition exhibit #4, 8/8/97.

287. Exhibit 771: E-mail message from Vice President Gore to Kimberly Tilley, 3/15/96, EOP 053291.

288. The meeting between the Vice President and Hsing was at 1:40 p.m., and the electronic messages were exchanged at about 2:20 p.m. Senator Levin, 9/5/97 Hrg., p. 66-67.

289. David Strauss, 9/5/97 Hrg., p. 29.

290. David Strauss, 9/5/97 Hrg., p. 27.

291. Exhibit 1006: Vice President Gore's schedule, 3/15/96, EOP 053033-036.
292. David Strauss, 9/5/97 Hrg., p. 62.
293. Statement of the Venerable Master Hsing Yun presented during his interview with Committee investigators, 6/17/97.
294. EOP 892.
295. David Strauss, 9/5/97 Hrg., p. 15.
296. Staff Interview with Hsing Yun, 6/17/97.
297. Letter from Diana So to FBI Agent Gayle Jacobs, 5/20/97.
298. Invitation to DNC Asian Pacific American Leadership Council event at Harbor Village Restaurant in Monterey Park, California; the name of the restaurant is crossed out and Hsi Lai Temple is written in; SEN 00111.
299. Exhibit 772: Letter from Maria Hsia to the Vice President, 3/23/96, SEN 01719.
300. Staff interview of Charlie Woo, 5/30/97.
301. Staff interview of Charlie Woo, 5/30/97.
302. Richard Sullivan deposition, 6/25/97, p. 28.
303. Richard Sullivan deposition, 6/25/97, p. 28.
304. Richard Sullivan deposition, 6/25/97, pp. 21-22.
305. Richard Sullivan deposition, 6/25/97, p. 23.
306. Richard Sullivan deposition, 6/25/97, pp. 23-24.
307. Richard Sullivan deposition, 6/25/97, pp. 23-24.
308. Richard Sullivan deposition, 6/25/97, p. 24.
309. Richard Sullivan deposition, 6/25/97, p. 31. Sullivan was able to determine that he called David Strauss on or about April 3, 1997 to notify him of the changes regarding the Los Angeles fundraiser and the Hsi Lai Temple event after reviewing an April 11, 1996 memo written by Huang that references a phone conversation with Strauss a week earlier. EOP 000809.
310. David M. Strauss deposition, 6/30/97, p. 92.

311. Exhibit 1003: Vice President Gore's trip schedule, EOP 056497-499; Exhibit 1009: electronic mail from Dycke to Tilley, et. al., 4/10/96, EOP 053292; Exhibit 1010: Memorandum from Huang to Tilley re 6/29/96 [sic] fundraising lunch, 4/11/96, Bates # 000809.

312. Kimberly Tilley deposition, 6/23/97, p. 124.

313. Kimberly Tilley deposition, 6/23/97, pp. 127-128.

314. Kimberly Tilley deposition, 6/23/97, pp. 158-159.

315. Exhibit 1010: Memo from John Huang to Kim Tilley, 4/11/96.

316. Exhibit 1003: Document prepared by Jackie Dycke, 4/11/96, EOP 056497 to 99.

317. Jacqueline Dycke deposition, 8/8/97, p. 66.

318. David Strauss, 9/5/97 Hrg., pp. 36-37.

319. See Exhibits 1011 (EOP 047955), 1012 (EOP document, illegible Bates stamp), 1013 (EOP 005407), a series of internal notes between and among the Vice President's foreign policy and national security staff. These evaluations of the proposed Temple event are dated April 16 and April 19, 1996.

320. Exhibit 1012: Handwritten note from John Norris to Bill Wise, 4/16/96.

321. Exhibit 1012: Handwritten note from John Norris to Bill Wise, 4/16/96.

322. Exhibit 1013: E-mail from Robert Suettinger to John Norris, 4/19/96, EOP 005407. Suettinger's e-mail message was written in response to an e-mail from Norris in which he refers to the Hsi Lai Temple event as a "fundraising lunch" and he states that the "event would take place at the end of June." Mr. Norris's use of the word "fundraising lunch" was due to the fact that he did not know how to properly characterize DNC events. In response to a question posed by Senator Collins regarding Mr. Norris's e-mail Mr. Strauss stated:

It's accurate that it's referenced as a fundraising lunch here, but you have people who have no background in how to correctly describe DNC events characterizing events here. And so the important implications of this are the foreign policy implications rather than how the event is described because the person who's describing this would have no basis for how to correctly describe a DNC event.

David Strauss, 9/5/97 Hrg., p. 78.

323. Kimberly Tilley deposition, 6/23/97, pp. 131-132.

324. Staff interview with Robert Suettinger, NSC Director of Asian Affairs, 6/3/97.

325. Manteghi testified that she understood from Tilley and McManimon that this was an outreach event. Ladan Manteghi deposition, 8/26/97, pp. 31-32, 53-55.

326. Ladan Manteghi deposition, 8/26/97, pp. 53-67.

327. See letters from all GAC Minority Members to Chairman Thompson and from Chairman Thompson to Senator Glenn requesting and refusing, respectively, Ladan Manteghi to appear before the Committee, 9/3/97.

328. David Strauss, 9/5/97 Hrg., pp. 30, 37, 57, 64-65.

329. David Strauss, 9/5/97 Hrg. pp. 64-65.

330. See David Strauss, 9/5/97 Hrg., p. 39 (indicating that the Vice President would have reviewed the briefing materials “right before the event”).

331. Exhibit 775: Briefing for Vice President Gore for Asian Pacific American Leadership Council luncheon honoring Vice President Gore, Hsi Lai Temple, Hacienda Heights, California, 4/29/96, EOP 000938 to 950.

332. David Strauss, 9/5/97 Hrg., p. 40.

333. Exhibit 776: Briefing for Vice President Gore for reception honoring Vice President Gore at the home of George and Judy Marcus, Los Altos Hills, California, 4/29/96, EOP 063338-40.

334. Transcript of Vice President Gore’s speech at the Hsi Lai Temple on 4/29/96.

335. See Donald L. Fowler, 9/9/97 Hrg., pp. 27-28; Mona Pasquil deposition, 7/30/97, pp. 65-66; Man Ho deposition, 8/6/97, p. 181.

Strauss, who attended the event with the Vice President, explained to the Committee that the Vice President did not give a fundraising speech at the Hsi Lai Temple event. Strauss testified, “it was a very good speech, but it had nothing to do with fundraising.” David Strauss, 9/5/97 Hrg., p. 42. See David Strauss, 9/5/97 Hrg., pp. 41-42 for further details on the Vice President’s speech.

336. Boston Globe, 9/4/97.

337. Boston Globe, 9/4/97.

338. Statement of the Venerable Master Hsing Yun presented during his interview with Committee investigators, 6/17/97, p. 3.

339. David Strauss, 9/5/97 Hrg., p. 42.

340. David Strauss, 9/5/97 Hrg., pp. 41-42.

341. David Strauss, 9/5/97 Hrg., pp. 43-44.
342. David Strauss, 9/5/97 Hrg., pp. 43-44.
343. Staff interview of Charlie Woo, 5/30/97.
344. Mona Pasquil deposition, 7/30/97, pp. 59-62.
345. DNC Chairman Fowler testified as follows:

It was not an event, a fund-raising event like many events are. There was no specifically designated sum of money required to be admitted.

There was nobody at the door taking up tickets, nobody at the door receiving checks. Some people contributed prior to the time they came and some people contributed after they came. Many people who came did not contribute at all. It was, in fact, part of a political outreach that the Democratic National Committee had with the Asian community. It was a blended event, if you will, partly political and partly fund-raising.

The question arises--it arose in my mind--was this appropriate? And let me say that, as my deposition indicated, I did have some apprehension about a fund-raiser in a house of worship, but I learned that with Buddhists and with people from the Asian community that a temple like that is as much a community center as it is a house of worship. And, frankly, I related that to my own experience in the '60's in the civil rights movement where much of the political activity was held in African American churches and much of what went on stemmed from the spirit and the motivation received in those churches. And I considered, when I was going through that in the '60's, that to be an appropriate activity. So, that allayed my concerns about the propriety of the fund-raising.

Donald L. Fowler, 9/9/97 Hrg., pp. 26-28.

...[T]here were three people who made presentations there -- myself, the temple master, and the Vice President. None of the three of us made any reference to raising money, contributing money, giving money before or after. So it did not have that aspect.

Donald L. Fowler, 9/9/97 Hrg., p. 29; see also, pp. 71-72.

346. Donald L. Fowler, 9/9/97 Hrg., p. 29.
347. Man-Ho Shih, 9/4/97 Hrg., p. 83; Man-Ho Shih deposition, 8/6/97, pp. 136-146.
348. Buddhist nuns, 9/4/97 Hrg., p. 143.
349. Man-Ho Shih deposition, 8/6/97, pp. 134-37.

350. Man-Ho Shih, 9/4/97 Hrg., pp. 137-139.

351. Statement of the Venerable Master Hsing Yun presented during his interview with Committee investigators, 6/17/97, p. 3.

352. Man-Ho Shih, 9/4/97 Hrg., pp. 125-126. See, for example, DNC invitation to the Temple event, 000776.

353. See, e.g., contribution levels for a DNC gala, DNC document B 0001621; contribution levels for a Democratic Business Council dinner at the Mayflower Hotel in Washington, D.C. 3/19/96, B 0000867-869.

354. Man-Ho Shih, 9/4/97 Hrg., p. 70.

355. Staff interview of Jessica Elnitiarta, 6/19/97.

356. DNC Finance System Source Detail Report for Gore L.A. DNC event, DNC documents D 0000974-977; Bates # 000669-671.

357. EOP 000965-969.

358. Ladan Manteghi deposition, 8/26/97, pp. 54-57.

359. David Strauss, 9/5/97 Hrg., pp. 44-45.

360. David Strauss, 9/5/97 Hrg., pp. 44-45.

361. Ladan Manteghi deposition, 8/26/97, p. 66.

362. Ladan Manteghi deposition, 8/26/97, pp. 66-67.

363. See, for example, a memorandum by Jackie Dycke, who worked on the April 29, 1996 schedule until mid-April, and described the Temple event for an April 11 scheduling meeting as a "DNC Luncheon." She testified that she obtained this information for a proposed event from Maura McManimon who worked on this event with Huang.

364. Kimberly Tilley deposition, 6/23/97, p. 124.

365. Q: Is it common in your experience with regard to the Vice President's schedule and how it evolves that an event may be contemplated, but that over time and indeed on fairly short notice, its character could change or the event itself could be canceled?

Strauss: That is correct.

Q: Does that happen often?

Strauss: That is correct.

David Strauss, 9/5/97 Hrg., pp. 36-37.

366. Kimberly Tilley deposition, 6/23/97, pp. 127-128. In addition, Tilley testified:

A: There were traditional fundraisers that were ticketed events at the door. There were events that were community outreach like this Asian-Pacific where it was part of the DNC Finance plan, where in order for someone to be a member, there was a certain amount of money they paid to be a part of that, you know, committee or whatever they called; and then there were those people to whom they wanted to reach out to, who they hoped would become donors.

Q: And would you define outreach events as different than fundraisers?

A: Yes, I would.

Kimberly Tilley deposition, 6/23/97, pp. 158-159.

367. DNC Finance System Source Detail Report for Gore L.A. DNC event, DNC documents D 0000974-977.

368. Richard L. Sullivan, 7/9/97 Hrg., p. 91.

369. Richard L. Sullivan, 7/9/97 Hrg., pp. 93-94.

370. Man-Ho Shih, 9/4/97 Hrg., pp. 27, 93. Neither Huang nor Hsia's name was mentioned in connection with this request from the abbess. Man-Ho Shih, 9/4/97 Hrg., p. 93.

371. Man-Ho Shih, 9/4/97 Hrg., pp. 30-32. These meetings were covered in more detail at her deposition, see Man-Ho deposition, 8/6/97, pp. 136-155. Man Ho testified that these contacts were for logistics planning and had nothing to do with whether the event was a fundraiser. Man-Ho Shih deposition, 8/6/97, pp. 143-145.

372. Man-Ho Shih, 9/4/97 Hrg., p. 31.

373. Man-Ho testified that she did proceed to invite her friend, Catherine Chen who contributed \$2500. Man-Ho Shih, 9/4/97 Hrg., pp. 32-33.

374. Man-Ho Shih, 9/4/97 Hrg., pp. 33; Yi Chu, pp. 73-74. These checks were written out of the Temple's general expense account. See Chapter 21 of the Minority Report.

375. Man-Ho Shih, 9/4/97 Hrg., p. 38.

376. Man-Ho Shih, 9/4/97 Hrg., p. 41.

377. Man-Ho Shih, 9/4/97, p. 48.

378. Howard Hom deposition, 8/27/97, pp. 23-25.

379. Exchange between Majority Counsel and Man-Ho Shih, 9/4/97 Hrg., pp. 22-24.

380. See, for example., Washington Post, 4/16/97.

381. See, for example, Washington Post, 4/16/97.

382. Cheong Am America, Inc. was incorporated in the State of California on 2/28/96. See Exhibits 807 and 810.

383. See Richard Sullivan deposition, 6/25/97, pp. 41-59.

384. Michael Mitoma, 9/5/97 Hrg., pp. 126-27. Mitoma was the elected mayor of Carson, a city of approximately 100,000 persons located near Long Beach, California. According to Mitoma, the unemployment rate in Carson approached 12 percent following the closure of the Long Beach Naval Shipyard and other defense-related downsizings in the early 1990s. The recruitment of Asian-based manufacturers such as Nissan, Pioneer, Kenwood and Mikasa had been an important part of Carson's strategy to decrease this unemployment rate, and Mitoma visited Lee in Seoul, South Korea, as part of this redevelopment effort. Michael Mitoma, 9/5/97 Hrg., pp. 144-45.

385. Lucy Ham is an Asian American businesswoman who owns a Los Angeles legal services plan and had been friends with Mitoma for some time. Michael Mitoma, 9/5/97 Hrg., p. 170. Lucy and her husband, Won Ham, were both officers of Cheong Am America, Inc. Michael Mitoma, 9/5/97 Hrg., pp. 125, 146.

386. Michael Mitoma, 9/5/97 Hrg., p. 148.

387. Michael Mitoma, 9/5/97 Hrg., p. 127. Ham's suggestion that Mitoma call the DNC apparently was based on a suggestion of a friend of hers in the Los Angeles Asian-American business community.

388. Michael Mitoma, 9/5/97 Hrg., pp. 128-131. In a 4/1/96 faxed message to Huang, Mitoma wrote that Lee would accept attendance at a fundraising dinner, but "still prefers private meeting before trip to Korea by the President. Is it possible to have Lee meet Clinton privately for 30 minutes in Korea when he visits instead of the private meeting in Washington? If possible let me know how what [sic] kind of fund raising would be appropriate." Faxed message from Mitoma to Huang, 4/1/96, B 0000754. Mitoma also wrote directly to the White House requesting a private meeting in Korea with the President. Letter from Mitoma to the White House, 4/8/96, DNC 0625244. DNC Chairman Don Fowler informed Huang that such a meeting could not be arranged, writing on a copy of the Mitoma letter, "President cannot see these folks in Korea."

Letter from Mitoma to the White House, 4/8/96, DNC 0625244. See also Donald L. Fowler deposition, 5/21/97, pp. 418-21.

389. Michael Mitoma, 9/5/97 Hrg., pp. 128-130.

390. Michael Mitoma, 9/5/97 Hrg., p. 141.

391. Exhibit 805: fax cover sheet and two page document from John Huang to Richard Sullivan, 4/8/96, B 000747-49.

392. Exhibit 806: memorandum from Sullivan to Sosnik and Hancox, 4/8/96, DNC 1143204. Sullivan testified that this memorandum was based upon conversations that he had with Huang, rather than on Huang's faxed document that he does not recall seeing at any time. Richard Sullivan deposition, 6/25/97, p. 44.

393. The Huang and Sullivan documents differ in one important respect: the Sullivan memorandum indicates that three of the four Cheong Am officials are from Los Angeles, while the Huang document apparently was meant to convey that the two senior officials were from Seoul, Korea. This difference may have contributed to a misimpression at the DNC that Cheong Am America was an ongoing concern in Los Angeles seeking to open a new operation in Carson, California, rather than a brand new subsidiary not yet engaged in any U.S. business.

394. Michael Mitoma, 9/5/97 Hrg., p. 134.

395. Michael Mitoma, 9/5/97, Hrg., pp. 132-34. Mitoma told the Committee that he explicitly informed Huang at the hotel that Lee had flown in from Korea for the dinner, but never stated whether he told Huang that Lee had brought the contribution check with him from Korea. See Michael Mitoma, 9/5/97 Hrg., p. 162. The check itself provides an address in Los Angeles, and contains no indication of a foreign origin. See DNC check tracking form, DNC 0564548.

396. Michael Mitoma, 9/5/97 Hrg., p. 137-139.

397. Michael Mitoma, 9/5/97 Hrg., p. 139.

398. Michael Mitoma, 9/5/97 Hrg., p. 138.

399. Michael Mitoma, 9/5/97 Hrg., p. 154.

400. Michael Mitoma, 9/5/97 Hrg., p. 140. Mitoma testified that after the meeting with the President he was able to persuade Lee and Chung to have dinner elsewhere. During his testimony, when asked to review documents he had not seen before, Mitoma apparently realized that there had actually been two DNC dinners occurring that evening at the Sheraton Carlton, and that the President had stopped by in between speeches at each. Michael Mitoma, 9/5/97 Hrg., p. 141.

401. Michael Mitoma, 9/5/97 Hrg., p. 153.
402. Exhibit 851: Memorandum from DNC General Counsel Joseph Sandler to DNC Finance Director Richard Sullivan, regarding contributions by U.S. subsidiaries of foreign corporations, 5/11/95, DNC 1683964-66.
403. Michael Mitoma, 9/5/97 Hrg., pp. 149-150.
404. Exhibit 851: Memorandum from DNC General Counsel Joseph Sandler to DNC Finance Director Richard Sullivan, regarding contributions by U.S. subsidiaries of foreign corporations, 5/11/95, DNC 1683964-66.
405. See discussion above of steps taken by the DNC to educate Huang about federal election law requirements, including regarding contributions by foreign subsidiaries of U.S. corporations.
406. Michael Mitoma, 9/5/97 Hrg., pp. 142, 151.
407. Michael Mitoma, 9/5/97 Hrg., pp. 142, 151.
408. Richard Sullivan deposition, 6/5/97, p. 52:9-11.
409. Joseph Sandler deposition, 5/15/97, pp. 82-84, 91. Sandler indicated that an attorney who had been contacted by a journalist about the Cheong Am America contribution called him to let him know that there might be a problem with the contribution. Joseph Sandler deposition, 5/15/97, p. 77.
410. Memorandum from Jake Siewert and DNC General Counsel Joe Sandler to David Eichenbaum, with copies to DNC Chairman Fowler and others, regarding the Cheong Am America contribution, 9/20/96, DNC 3111214. Joseph Sandler deposition, 5/15/97, p. 91.
411. Memorandum from Jake Siewert and DNC General Counsel Joe Sandler to David Eichenbaum, with copies to DNC Chairman Fowler and others, regarding the Cheong Am America contribution, 9/20/96, DNC 3111214.
412. Memorandum from Jake Siewert and DNC General Counsel Joe Sandler to David Eichenbaum, with copies to DNC Chairman Fowler and others, regarding the Cheong Am America contribution, 9/20/96, DNC 3111214.
413. Joseph Sandler deposition, 5/15/97, p. 84.
414. Richard Sullivan deposition, 6/4/97, p. 140. See Chapter 27, White House Coffees and Overnights.
415. Richard L. Sullivan deposition, 6/4/97, pp. 124-126.

416. See Clarke Wallace deposition, 8/27/97, Exhibit 18: Ethnic NewsWatch article written by Asian American Democratic activist Maeley Tom, describes a dinner party hosted by Kanchanalak and one other “major Democratic party supporter” for 50 people attending the first APEC Leaders’ Forum in Seattle in November, 1993, 12/10/93.

417. Richard L. Sullivan deposition, 6/4/97, p. 124. Sullivan said “she was very well-to-do.” Richard L. Sullivan deposition, 6/4/97, p. 134.

418. Samuel Newman deposition, 7/17/97, p. 198, referencing Newman Deposition Exhibit 3: guest list for dinner with the Vice President at the Mayflower Hotel, 11/2/95.

419. Richard L. Sullivan deposition, 6/4/97, p. 125. Thereafter, Huang, Sullivan and Rosen discussed “working with Pauline to get her to come to the table, to make her contribution, to raise some money, when she was going to do it.” Hoping that it would spur Kanchanalak on, in early 1996 the DNC invited her to a number of White House events early in 1996, (Richard L. Sullivan deposition, 6/4/97, p. 125) and Kanchanalak visited the White House for a coffee on January 25, a lunch on January 29, and a dinner on February 8. (White House WAVES records for Pauline Kanchanalak, EOP 002958-59.) According to FEC records, Kanchanalak and her sister-in-law, Daugnet “Georgie” Kronenberg, contributed a total of \$15,000 in hard money in February, \$10,000 in soft money in March, and another \$10,000 in soft money on June 6, 1996.

420. Richard L. Sullivan deposition, 6/4/97, p. 126.

421. Richard Sullivan deposition, 6/4/97, pp. 125-130

422. Richard L. Sullivan deposition, 6/4/97, pp. 127-128.

423. Richard L. Sullivan deposition, 6/4/97, pp. 133-134.

424. Joseph E. Sandler deposition, 8/21/97, pp. 151-153.

425. Karl Jackson, 9/16/97 Hrg., p. 4. Jackson and Quayle have a continuing relationship. For example, Quayle is affiliated with the Hudson Institute, a conservative think tank based in Indianapolis that financed a 1993 trip by Quayle and Dr. Jackson to Japan, China and Taiwan; Clarke Wallace deposition, 8/27/97, p. 134, referencing Deposition Exhibit 27: Washington Post, 6/20/93. Dr. Jackson is a Senior Fellow and an Associate Director of the Competitive Center of the Hudson Institute. Biography of Karl Jackson, UST 2006. Dr. Jackson also is a business partner with Dan Quayle in various enterprises, including FX Strategic Advisors, Inc. and FX Concepts, Inc. Clarke Wallace deposition, 8/27/97, p. 130, referencing Deposition Exhibit 28: Financial Times, 9/6/93.

426. Jackson testified that Wallace may have called him with the invitation. Karl Jackson, 9/16/97 Hrg., p. 5. The CP Group, as explained by Jackson, “was Thailand's largest trading group, an organization that was deeply involved with business in China and elsewhere around Asia.” Karl Jackson, 9/16/97 Hrg., p. 6.

427. Karl Jackson, 9/16/97 Hrg., p. 7.
428. Karl Jackson, 9/16/97 Hrg., p. 11.
429. Clarke Wallace, 9/16/97 Hrg., p. 108. Beth Dozoretz, 9/16/97 Hrg., p. 119; Robert Belfer, 9/16/97 Hrg., p. 25; Clarke Wallace deposition, 8/27/97, p. 106.
430. Clarke Wallace, 9/16/97 Hrg, pp. 110, 128.
431. Clarke Wallace, 9/16/97 Hrg., p. 105.
432. Clarke Wallace, 9/16/97 Hrg., p. 106-107, quoting Clarke Wallace deposition, 8/27/97, p. 54-55.
433. Clarke Wallace, 8/27/97 deposition, p. 56; Clarke Wallace, 9/16/97 Hrg., p. 108.
434. Clarke Wallace deposition, 8/27/97, p. 55:9-12.
435. Beth Dozoretz, 9/16/97 Hrg., p. 156; Beth Dozoretz deposition, 9/2/97, pp. 11-12, 28. Dozoretz is a DNC Trustee and friend of the President and First Lady. Beth Dozoretz, 9/16/97 Hrg., p. 122; Beth Dozoretz deposition, 9/2/97, p. 28. Dozoretz and her husband have a history of being supporters of both Democratic and Republican candidates and party organizations. In addition to their support of President Clinton, the Dozoretz's continue to support Republican candidates including John Warner, Alfonso D'Amato, and Arlen Specter. Beth Dozoretz deposition, 9/2/97, pp. 162-63.
436. Beth Dozoretz, 9/16/97 Hrg., p. 139.
437. Beth Dozoretz, 9/16/97 Hrg., p. 157.
438. Beth Dozoretz, 9/16/97 Hrg., p. 119; Robert Belfer, 9/16/97 Hrg., p. 25; Clarke Wallace deposition, 8/27/97, p. 106.
439. Beth Dozoretz, 9/16/97 Hrg., p. 120.
440. It was during the coffee itself that Dozoretz formed the impression that Huang might be a representative from the DNC. Beth Dozoretz, 9/16/97 Hrg., pp. 118-119.
441. Robert Belfer deposition, 9/6/97, p. 77-78, 82. Indeed, he characterized the event as follows: "Let me suggest to you as someone who is very active in philanthropic circles, much more so than political, that one can have a multi-step process in which you engender goodwill at one event, in order to soften people up for raising money at different points in time. It doesn't necessarily make the particular event a fundraiser." Robert Belfer, 9/16/97 Hrg., p. 176, quoting Robert Belfer deposition, 9/6/97, p. 76.
442. Robert Belfer deposition, 9/6/97, p. 25.

- 443. List of expected attendees at White House coffee, 6/18/96, WH A 00097.
- 444. See, for example, Senator Lieberman, 9/16/97 Hrg., p.187.
- 445. Rawlein Soberano, 9/16/97 Hrg., p. 198.
- 446. Rawlein Soberano, 9/16/97 Hrg., pp. 201-202.
- 447. Rawlein Soberano, 9/16/97 Hrg., p. 203.
- 448. Rawlein Soberano, 9/16/97 Hrg., p. 203.
- 449. Rawlein Soberano, 9/16/97 Hrg., p. 223-224.
- 450. Rawlein Soberano, 9/16/97 Hrg., p. 209; Rawlein Soberano deposition, 5/13/97, p. 104.
- 451. Rawlein Soberano deposition, 5/13/97, p. 104.
- 452. Rawlein Soberano deposition, 5/13/97, pp. 29, 31.
- 453. Rawlein Soberano, 9/16/97 Hrg., p. 211.
- 454. Rawlein Soberano deposition, 5/13/97, p. 105.
- 455. Rawlein Soberano deposition, 5/13/97, pp. 102-103.
- 456. Rawlein Soberano deposition, 5/13/97, pp. 96, 99-100.
- 457. Rawlein Soberano deposition, 5/13/97, pp. 59-60.
- 458. Rawlein Soberano deposition, 5/13/97, pp. 44-45.
- 459. Rawlein Soberano deposition, 5/13/97, pp. 33-47.
- 460. Rawlein Soberano deposition, 5/13/97, p. 33.
- 461. Richard L. Sullivan deposition, 6/5/97, pp. 62-63.
- 462. Richard L. Sullivan deposition, 6/5/97, pp. 62-63.
- 463. Richard L. Sullivan deposition, 6/5/97, pp. 73-77.
- 464. Richard L. Sullivan deposition, 6/5/97, p. 73.
- 465. Richard L. Sullivan deposition, 6/5/97, p. 71.
- 466. Richard L. Sullivan deposition, 6/5/97, pp. 82-83.

467. Richard L. Sullivan deposition, 6/5/97, p. 73.

468. Donald L. Fowler deposition, 5/21/97, p. 273.

469. Marvin S. Rosen deposition 5/19/97, p. 175.

470. Richard L. Sullivan deposition, 6/5/97, p. 85.